



**A UnitedHealthcare Company**

Peoples Health Submission  
Jefferson Parish  
Statement of Qualifications  
No. 22-037  
Medicare Advantage  
Group Plan



LOUISIANA DEPARTMENT OF INSURANCE

JAMES J. DONELON  
COMMISSIONER

*March 13, 2009*

*Mr. A.J. Herbert  
Middleberg Riddle & Gianna  
31st Floor  
201 St. Charles Avenue  
New Orleans, LA 70170-3100*

*RE: Health Maintenance Organization License for Peoples Health, Inc.*

*Dear Ms. Herbert:*

*This letter is to officially notify you that the application for health maintenance organization license in the State of Louisiana for the above referenced company has been approved effective March 13, 2009.*

*I am pleased that you have requested license in Louisiana and am confident that your company will recognize and be responsive to the laws of this State regulating the business of insurance.*

*I wish you success in the conduct of business in Louisiana and invite you to contact this Department should you have any questions or concerns.*

*Sincerely,*

*James J. Donelon  
Commissioner of Insurance  
State of Louisiana*

*JJD/mb  
Attachment*



*JAMES J. DONELON*

COMMISSIONER OF INSURANCE

*I, THE UNDERSIGNED COMMISSIONER OF INSURANCE OF THE STATE OF LOUISIANA,  
DO HEREBY CERTIFY THAT*

**Peoples Health, Inc.**

*has complied with all requirements and is hereby licensed to act as a  
HEALTH MAINTENANCE ORGANIZATION  
in the State of Louisiana*

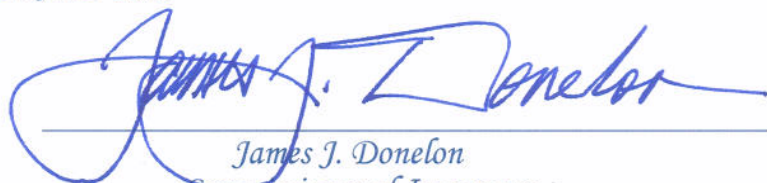
*This license shall remain in effect until canceled, suspended, revoked or the renewal thereof  
refused.*



*Given Under my signature, authenticated with the impress of my*

*Seal of office, at the City of Baton Rouge, this, 13<sup>th</sup> day of*

*March A.D. 2009*

  
James J. Donelon  
Commissioner of Insurance

## **General Professional Services Questionnaire Instructions**

- ☐ The General Professional Services Questionnaire shall be used for all professional services except outside legal services and architecture, engineering, or survey projects.
- ☐ **The General Professional Services Questionnaire should be completely filled out. Complete and attach ALL sections. Insert “N/A” or “None” if a section does not apply or if there is no information to provide.**
- ☐ Questionnaire must be signed by an authorized representative of the Firm. Failure to sign the questionnaire shall result in disqualification of proposer pursuant to J.P. Code of Ordinances Sec. 2-928.
- ☐ All subcontractors must be listed in the appropriate section of the Questionnaire. Each subcontractor must provide a complete copy of the General Professional Services Questionnaire, applicable licenses, and any other information required by the advertisement. Failure to provide the subcontractors' complete questionnaire(s), applicable licenses, and any other information required by the advertisement shall result in disqualification of proposer pursuant to J.P. Code of Ordinances Sec. 2-928.
- ☐ If additional pages are needed, attach them to the questionnaire and include all applicable information that is required by the questionnaire.



## General Professional Services Questionnaire

**A. Project Name and Advertisement Resolution Number:**

SOQ NO. 22-037 – Medicare Advantage Group Plan

**B. Firm Name & Address:**

New Orleans Regional Physician Hospital Organization, L.L.C. d/b/a Peoples Health Network  
3838 N. Causeway Blvd.  
Suite 2500  
Metairie, LA 70002

**C. Name, title, & contact information of Firm Representative, as defined in Section 2-926 of the Jefferson Parish Code of Ordinances, with at least five (5) years of experience in the applicable field required for this Project:**

Suzi Swoop O'Brien  
Chief Executive Officer  
3838 N. Causeway Blvd.  
Suite 2500  
Metairie, LA 70002

**D. Address of principal office where Project work will be performed:**

Peoples Health  
3838 N. Causeway Blvd.  
Suite 2500  
Metairie, LA 70002

**E. Is this submittal by a JOINT-VENTURE? Please check: YES ☐ NO ☒ X**

**If marked "No" skip to Section H. If marked "Yes" complete Sections F-G.**

**F. If submittal is by JOINT-VENTURE, list the firms participating and outline specific areas of responsibility (including administrative, technical, and financial) for each firm. Please attach additional pages if necessary.**

1.

2.

### General Professional Services Questionnaire

G. Has this JOINT-VENTURE previously worked together? Please check: YES ☐ NO ☐

H. List all subcontractors anticipated for this Project. Please note that all subcontractors must submit a fully completed copy of this questionnaire, applicable licenses, and any other information required by the advertisement. See Jefferson Parish Code of Ordinances, Sec. 2-928(a)(3). Please attach additional pages if necessary.

Name & Address:	Specialty:	Worked with Firm Before (Yes or No):
1. There will be no subcontractors for this project.		
2.		
3.		
4.		
5.		

## **General Professional Services Questionnaire**

<b>I. Please specify the total number of support personnel that may assist in the completion of this Project:</b> There will be an Account Manager, along with 4 health plan leaders that will facilitate the completion of this project. Additional support roles will be utilized as appropriate.
<b>J. List any professionals that may assist in the completion of this Project. If necessary, please attach additional documentation that demonstrates the employment history and experience of the Firm's professionals that may assist in the completion of this Project (i.e. resume). Please attach additional pages if necessary.</b>
<b>PROFESSIONAL NO. 1</b>
<b>Name &amp; Title:</b> Gretchen Korndorffer – Account Manager and Sales Operations Director of Sales Operations
<b>Name of Firm with which associated:</b> Peoples Health
<b>Description of job responsibilities:</b> <ul style="list-style-type: none"> <li>▪ Account Manager/Liaison for Peoples Health Group Medicare business</li> <li>▪ Site lead and daily operations of our Medicare Center to support your enrollees; the Medicare Center is located in Jefferson Parish on Veterans Memorial Blvd.</li> <li>▪ Manage the onboarding of producers with Peoples Health</li> <li>▪ Manage contracts of Producer Agencies and Independent Producers</li> <li>▪ Ensure the Producer experience is at top satisfaction</li> <li>▪ Manage relationships with our E-Alliance partners</li> <li>▪ Responsible for lead management and distribution</li> <li>▪ Ensure enrollment applications are received timely through various enrollment channels</li> <li>▪ Producer quality assurance</li> </ul>
<b>Years' experience with this Firm:</b> 23 years
<b>Education: Degree(s)/Year/Specialization:</b> Bachelor of Science - Finance, Minor in Management, 1997 Licensed Producer, Health and Accident – November 2011 LEAN Sigma Green Belt - June 2009
<b>Other experience and qualifications relevant to the proposed Project:</b> <ul style="list-style-type: none"> <li>▪ Managing the Group Medicare business for Peoples Health since 2019</li> <li>▪ Headquartered at the corporate office in Metairie, LA.</li> <li>▪ Experience in implementations, initiatives and new projects</li> <li>▪ Employee of Peoples Health since August of 1999 and has assumed several roles in the company including Finance, Medical Management, Sales Systems and Sales Operations.</li> <li>▪ Licensed insurance Producer in the state of Louisiana for Health &amp; Accident insurance since November 2011.</li> <li>▪ LSU Continuing Education Management and Leadership Certificate Program – July 2015</li> <li>▪ UnitedHealthcare Medicare &amp; Retirement Certified</li> </ul>

## General Professional Services Questionnaire

<b>PROFESSIONAL NO. 2</b>
<b>Name &amp; Title:</b>
Rachael Shirer – Operations & Claims Vice President, System Operations
<b>Name of Firm with which associated:</b>
Peoples Health
<b>Description of job responsibilities:</b>
<ul style="list-style-type: none"><li>▪ Responsible for claims, systems operations, configuration, membership &amp; enrollment, and billing and provider data entry</li><li>▪ Prior responsibilities include Provider Relations representative</li></ul>
<b>Years' experience with this Firm:</b>
15 years
<b>Education: Degree(s)/Year/Specialization:</b>
Specialization in the medical industry for over 20 years
<b>Other experience and qualifications relevant to the proposed Project:</b>
<ul style="list-style-type: none"><li>▪ Headquartered at the corporate office in Metairie, LA.</li><li>▪ Experience in implementations, initiatives and new projects</li><li>▪ LSU Continuing Education Management and Leadership Certificate Program – July 2015</li><li>▪ UnitedHealthcare Medicare &amp; Retirement Certified</li></ul>



## General Professional Services Questionnaire

PROFESSIONAL NO. 3
<b>Name &amp; Title:</b>
Cheryl Miller – Member Services Director, Customer Services
<b>Name of Firm with which associated:</b>
Peoples Health
<b>Description of job responsibilities:</b>
<ul style="list-style-type: none"><li>▪ Responsible for providing expertise and customer service support to member, customers and/or providers</li><li>▪ Direct phone-based customer interaction to answer and resolve a wide variety of inquiries</li><li>▪ Provides leadership to and is accountable for the performance of managers and/or senior level professional staff</li><li>▪ Develop functional, market level, and/or site strategy, plans, production and/or organizational priorities and identify and resolve technical, operation and organizational problems</li><li>▪ Manages five (5) managers/supervisors who provide leadership to the customer service advocates</li></ul>
<b>Years' experience with this Firm:</b>
10 years
<b>Education: Degree(s)/Year/Specialization:</b>
Master of Science, Healthcare Administration - 2016
<b>Other experience and qualifications relevant to the proposed Project:</b>
<ul style="list-style-type: none"><li>▪ Headquartered at the corporate office in Metairie, LA.</li><li>▪ Experience in implementations, initiatives and new projects</li><li>▪ Project Management Specialist (PMP) – 2013</li><li>▪ 29 years working in healthcare including hospitals and insurance</li><li>▪ Certified in provider credentialing (CPCS) and medical staff management (CPMSM)</li><li>▪ UnitedHealthcare Medicare &amp; Retirement Certified</li></ul>

## General Professional Services Questionnaire

<b>PROFESSIONAL NO. 4</b>
<b>Name &amp; Title:</b>
Leslie Keen – Marketing & Communications Assistant Vice President Marketing & Communications
<b>Name of Firm with which associated:</b>
Peoples Health
<b>Description of job responsibilities:</b>
<ul style="list-style-type: none"><li>▪ Manages and oversees the development and implementation of marketing, communications, advertising and community outreach programs</li><li>▪ Create market awareness and receptivity to the products and services of Peoples Health</li><li>▪ Regularly monitors and assesses consumer receptivity to Peoples Health, plan products and services, corporate identity and marketing initiatives</li><li>▪ Monitors plan member satisfaction and loyalty</li><li>▪ Identify market trends and deviations from established marketing baselines</li></ul>
<b>Years' experience with this Firm:</b>
14 ½ Years
<b>Education: Degree(s)/Year/Specialization:</b>
Master of Business Administration, International Business with specific in Marketing – 2016
<b>Other experience and qualifications relevant to the proposed Project:</b>
<ul style="list-style-type: none"><li>▪ Headquartered at the corporate office in Metairie, LA.</li><li>▪ Experience in implementations, initiatives and new projects</li><li>▪ Board Chairwoman, Louisiana Executive Board on Aging – Governor's Office of Elderly Affairs</li><li>▪ Board Member, Capital Area Agency on Aging</li><li>▪ Past Board President, Louisiana Aging Network Association</li><li>▪ UnitedHealthcare Medicare &amp; Retirement Certified</li></ul>

## General Professional Services Questionnaire

<b>PROFESSIONAL NO. 5</b>
<b>Name &amp; Title:</b>
Suzi Swoop O'Brien – Administration & Finance Chief Executive Officer
<b>Name of Firm with which associated:</b>
Peoples Health
<b>Description of job responsibilities:</b>
<ul style="list-style-type: none"> <li>▪ Creative vision behind the Peoples Health business model</li> <li>▪ Guides Peoples Health's strategic plan for continued growth and steers the development and enhancement of the company's Medicare Advantage plans</li> <li>▪ Leads the company in establishing its medical home model to improve the health outcomes of all plan members</li> </ul>
<b>Years' experience with this Firm:</b>
25 years
<b>Education: Degree(s)/Year/Specialization:</b>
Bachelor of Science, Commerce and Business – Healthcare Management, 1995
<b>Other experience and qualifications relevant to the proposed Project:</b>
<ul style="list-style-type: none"> <li>▪ Headquartered at the corporate office in Metairie, LA.</li> <li>▪ Experience in implementations, initiatives and new projects</li> <li>▪ Worked with Jefferson Parish Government Group contract since its inception</li> <li>▪ Member of the Jefferson Parish Chamber of Commerce</li> <li>▪ Member of the Jefferson Parish Economic Development Commission</li> <li>▪ Louisiana Association of Health Plans</li> <li>▪ America's Health Insurance Plans</li> <li>▪ New Orleans Chamber of Commerce Executive Board</li> <li>▪ Board Member for Junior Achievement</li> <li>▪ Previously worked with the American Cancer Society and the United Way of Southeast Louisiana's Women's Leadership Initiative team</li> <li>▪ UnitedHealthcare Medicare &amp; Retirement Certified</li> </ul>

### General Professional Services Questionnaire

**K. List all prior projects that best illustrate the Firm's qualifications relevant to this Project. Please include any and all work performed for Jefferson Parish. Please attach additional pages if necessary.**

#### **PROJECT NO. 1**

<b>Project Name, Location and Owner's contact information:</b>	<b>Description of Services Provided:</b>
<p>Peoples Health Group Medicare for Jefferson Parish Government Retirees</p> <p>Peoples Health Suzi Swoop O'Brien Chief Executive Officer 3838 N. Causeway Blvd. Suite 2500 Metairie, LA 70002 (504) 681-8543 <a href="mailto:suzi.swoop@peopleshealth.com">suzi.swoop@peopleshealth.com</a></p>	<p>Administer the Peoples Health Group Medicare (HMO-POS) health plan for currently 253 retirees of Jefferson Parish Government with Medicare Parts A &amp; B. Peoples Health Group Medicare (HMO-POS) covers retirees for Medicare Parts A &amp; B services and Part D prescription drug coverage. The plan also offers additional benefits for plan members, such as an over-the-counter allowance for health and wellness items, meals after an inpatient stay, dental coverage, routine vision coverage, respite care and a fitness center benefit. The plan is an HMO-POS plan, which offers in network coverage as well as out-of-network coverage.</p>
<b>Length of Services Provided:</b>	<b>Cost of Services Provided:</b>
10 years	<p>\$175 per enrollee per month</p> <p>In the 10 years serviced by Peoples Health, the rates have never been raised, and in fact have been lowered over 40%.</p>

#### **PROJECT NO. 2**

<b>Project Name, Location and Owner's contact information:</b>	<b>Description of Services Provided:</b>
<p>Peoples Health Group Medicare for the Office of Group Benefits (OGB)</p> <p>Peoples Health Suzi Swoop O'Brien Chief Executive Officer 3838 N. Causeway Blvd. Suite 2500 Metairie, LA 70002 (504) 681-8543 <a href="mailto:suzi.swoop@peopleshealth.com">suzi.swoop@peopleshealth.com</a></p>	<p>Administer the Peoples Health Group Medicare for the Office of Group Benefits (HMO-POS) health plan for retirees of the State with Medicare Parts A &amp; B. Peoples Health Group Medicare for OGB (HMO-POS) covers retirees for Medicare Parts A &amp; B services and Part D prescription drug coverage. The plan also offers additional benefits for plan members, such as meals after an inpatient stay, dental coverage, routine vision coverage, respite care and a fitness center benefit. The plan is an HMO-POS plan, which offers in network coverage as well as out-of-network coverage.</p>
<b>Length of Services Provided:</b>	<b>Cost of Services Provided:</b>
15 years	<p>Charged per enrollee per month</p> <p>Additional information available upon request</p>

## General Professional Services Questionnaire

<b>PROJECT NO. 3</b>	
<b>Project Name, Location and Owner's contact information:</b>	<b>Description of Services Provided:</b>
<p>Peoples Health Group Medicare for City of Kenner Retirees</p> <p>Peoples Health Suzi Swoop O'Brien Chief Executive Officer 3838 N. Causeway Suite 2500 Metairie, LA 70002 (504) 681-8543 <a href="mailto:suzi.swoop@peopleshealth.com">suzi.swoop@peopleshealth.com</a></p>	<p>Administer the Peoples Health Group Medicare (HMO-POS) health plan for retirees of the City of Kenner with Medicare Parts A &amp; B. Peoples Health Group Medicare (HMO-POS) covers retirees for Medicare Parts A &amp; B services and Part D prescription drug coverage. The plan also offers additional benefits for plan members, such as an over-the-counter allowance for health and wellness items, meals after an inpatient stay, dental coverage, routine vision coverage, respite care and a fitness center benefit. The plan is an HMO-POS plan, which offers in network coverage as well as out-of-network coverage.</p>
<b>Length of Services Provided:</b>	<b>Cost of Services Provided:</b>
<p>4 years</p>	<p>Charged per enrollee per month</p> <p>Additional information available upon request</p>

<b>PROJECT NO. 4</b>	
<b>Project Name, Location and Owner's contact information:</b>	<b>Description of Services Provided:</b>
<p>Peoples Health Medicare Advantage Prescription Drug Plans</p> <p>Peoples Health Suzi Swoop O'Brien Chief Executive Officer 3838 N. Causeway Suite 2500 Metairie, LA 70002 (504) 681-8543 <a href="mailto:suzi.swoop@peopleshealth.com">suzi.swoop@peopleshealth.com</a></p>	<p>Administer the Peoples Health Medicare Advantage Prescription Drug plans for over 91,000 members with Medicare Parts A &amp; B. Peoples Health Medicare Advantage Prescription Drug plans offer HMO, HMO D-SNP and PPO plans for the entire state of Louisiana. Peoples Health plans cover beneficiaries for Medicare Parts A &amp; B services and Part D prescription drug coverage. The plan also offers additional benefits for plan members, such as an over-the-counter allowance for health and wellness items, meals after an inpatient stay, dental coverage, hearing and hearing aid coverage, routine vision coverage, respite care and a fitness center benefit. Peoples Health plans have achieved the Centers for Medicare &amp; Medicaid Services' (CMS) highest rating of 5 out of 5 stars for 2022.</p>
<b>Length of Services Provided:</b>	<b>Cost of Services Provided:</b>
<p>25 years</p>	<p>Per enrollee per month</p> <p>Additional information available upon request</p>



## General Professional Services Questionnaire

**L. List all prior and/or on-going litigation between Firm and Jefferson Parish. Please attach additional pages if necessary.**

<b>Parties:</b>		<b>Status/Result of Case:</b>
<b>Plaintiff:</b>	<b>Defendant:</b>	
There is no prior or on-going litigation between Peoples Health and Jefferson Parish.		

**M. Use this space to provide any additional information or description of resources supporting Firm's qualifications for the proposed project.**

Peoples Health has been a continued support to the Parish of Jefferson. Peoples Health was founded in 1994 in Jefferson Parish and the corporate headquarters has remained within the parish for the last 28 years. Peoples Health employs over 200 residents of Jefferson Parish and over 500 within the surrounding parishes. Additionally, Peoples Health supports multiple Jefferson based community organizations such as the Jefferson Council, JEDCO, the Jefferson Council on Aging, Second Harvest of Greater New Orleans, the Jefferson Performing Arts Society, the Jefferson Community Foundation and Senior Olympics.

Peoples Health has long demonstrated our devotion to the parish we call home, while continuing to prove our dedication to the health of our Louisiana Medicare beneficiaries. Peoples Health plans have received the Centers for Medicare and Medicaid Services' (CMS) highest rating of 5 out of 5 stars for 2022. Your Peoples Health plan is the only Medicare Advantage organization to earn Medicare's highest rating in Louisiana five years straight. Four years at 4.5 stars, and now 5 stars for 2022. Peoples Health's Net Promoter Score (NPS) is 77. The NPS is a widely used market research metric that asks respondents to rate the likelihood that they would recommend a company, product, or service to a friend or colleague.

Peoples Health has proudly provided a Medicare Advantage plan to Jefferson Parish Government retirees for the past 10 years.

**N. To the best of my knowledge, the foregoing is an accurate statement of facts.**

**Signature:** Suzi Swoop O'Brien **Print Name:** Suzi Swoop O'Brien

**Title:** Chief Executive Officer

**Date:** August 18, 2022



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
08/16/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Marsh USA Inc. 333 South 7th Street, Suite 1400 Minneapolis, MN 55402-2400 Attn: Healthcare AccountsCSS@marsh.com Fax: 212-948-1307	<b>CONTACT</b> NAME: Enterprise Risk Financing & Insurance	
	<b>PHONE</b> (A/C, No, Ext): (952) 936-1650	<b>FAX</b> (A/C, No): 888-299-6422
CN101631729-ALL-GAWUP-22-24	<b>E-MAIL</b> ADDRESS: eis@uhg.com	
	<b>INSURER(S) AFFORDING COVERAGE</b>	
	<b>INSURER A :</b> Old Republic Insurance Company	
	<b>INSURER B :</b> XL Specialty Insurance Company	
	<b>INSURER C :</b> Travelers Property Casualty Company of America	
<b>INSURED</b> NEW ORLEANS REGIONAL PHYSICIAN HOSPITAL ORGANIZATION, L.L.C. 3838 N. CAUSEWAY BLVD., SUITE 2200 METARIE, LA 70002	<b>NAIC #</b>	
	24147	
	37885	
	25674	
<b>INSURER D :</b>		
<b>INSURER E :</b>		
<b>INSURER F :</b>		

**COVERAGES** **CERTIFICATE NUMBER:** CHI-010119760-01 **REVISION NUMBER:** 2

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b>			MWZY315405-24	05/01/2022	05/01/2024	EACH OCCURRENCE \$ 2,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR		DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000				
			MED EXP (Any one person) \$ 2,500				
			PERSONAL & ADV INJURY \$ 2,000,000				
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE \$ 4,000,000
	<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC						PRODUCTS - COMP/OP AGG \$ 4,000,000
	OTHER:						\$
A	<input checked="" type="checkbox"/> <b>AUTOMOBILE LIABILITY</b>			MWTB315404-24	05/01/2022	05/01/2024	COMBINED SINGLE LIMIT (Ea accident) \$ 5,000,000
	<input checked="" type="checkbox"/> ANY AUTO						BODILY INJURY (Per person) \$
	<input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS						BODILY INJURY (Per accident) \$
	<input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident) \$
							\$
B	<input checked="" type="checkbox"/> <b>UMBRELLA LIAB</b>			US00075258LI22A	05/01/2022	05/01/2023	EACH OCCURRENCE \$ 10,000,000
	<input checked="" type="checkbox"/> <b>EXCESS LIAB</b>						AGGREGATE \$ 10,000,000
	<input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$						\$
C	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b>						<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER
C	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)			<input type="checkbox"/> Y <input checked="" type="checkbox"/> N	N/A		E.L. EACH ACCIDENT \$ 2,000,000
C	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE \$ 2,000,000
							E.L. DISEASE - POLICY LIMIT \$ 2,000,000
A	Managed Care Prof. Liab / E&O			MWZZ315406-24	05/01/2022	05/01/2024	Each Claim 10,000,000
	Retro Date: 1/1/77						Annual Aggregate 10,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

## CERTIFICATE HOLDER

JEFFERSON PARISH GOVERNMENT 1221 ELMWOOD PARK BLVD., SUITE 517 JEFFERSON, LA 70123	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE  <i>Marsh USA Inc.</i>
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**IMPORTANT:** If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Marsh USA Inc. 333 South 7th Street, Suite 1400 Minneapolis, MN 55402-2400 Attn: Healthcare.AccountsCSS@marsh.com Fax: 212-948-1307  CN101631729--Cyber-22-24	<b>CONTACT NAME:</b> Enterprise Risk Financing & Insurance <b>PHONE (A/C, No, Ext):</b> (952) 936-1650 <b>FAX (A/C, No):</b> 888-299-6422 <b>E-MAIL ADDRESS:</b> eis@uhg.com
<b>INSURED</b> NEW ORLEANS REGIONAL PHYSICIAN HOSPITAL ORGANIZATION, L.L.C. 3838 N. CAUSEWAY BLVD., SUITE 2200 METARIE, LA 70002	<b>INSURER(S) AFFORDING COVERAGE</b> <b>INSURER A:</b> Old Republic Insurance Company <b>INSURER B:</b> <b>INSURER C:</b> <b>INSURER D:</b> <b>INSURER E:</b> <b>INSURER F:</b>

**COVERAGES** **CERTIFICATE NUMBER:** CHI-010119764-03 **REVISION NUMBER:** 1

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	<b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y <input checked="" type="checkbox"/> N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A				PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	CYBER LIABILITY			MWZZ315407-24	05/01/2022	05/01/2024	EACH CLAIM 10,000,000 AGGREGATE 10,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

## CERTIFICATE HOLDER

JEFFERSON PARISH GOVERNMENT  
1221 ELMWOOD PARK BLVD., SUITE 517  
JEFFERSON, LA 70123

## CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

*Marsh USA Inc.*

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## ATTACHMENT C

### Proposed Rate Form

JPG wishes to maintain the following:

#### Medicare Advantage

- Retiree
- Spouse/Dependent

Retirees and spouses of Jefferson Parish Government who are actively enrolled in Medicare Parts A & B and Medicare Part D, are enrolled as their own member and will follow the rates listed below.

Plan Year	Premium
2023	\$175.00 Per Member Per Month
2022	\$175.00 Per Member Per Month
2021	\$175.00 Per Member Per Month
2020	\$175.00 Per Member Per Month
2019	\$175.00 Per Member Per Month
2018	\$200.00 Per Member Per Month
2017	\$200.00 Per Member Per Month
2016	\$244.00 Per Member Per Month

We are pleased that through our work with Jefferson Parish Government, we have never raised a premium, and in fact have lowered it by over 40% since the beginning of the contract. In the last 5 years, Peoples Health has maintained the \$175 premium even though medical costs continue to rise throughout the nation and the state.

## ATTACHMENT D

1. Name and address of parent company and local office.  
New Orleans Regional Physician Hospital Organization, Inc. d/b/a Peoples Health  
3838 N. Causeway Blvd.  
Suite 2500  
Metairie, LA 70002
2. Is your company a wholly-owned subsidiary or a division of another company? If so, please identify the company name and address.  
Peoples Health is a subsidiary of UnitedHealth Group.  
UnitedHealth Group  
P.O. Box 1459  
Minneapolis, MN 55440-1459
3. How many members are currently being served nationally and in Louisiana? How many employers with over 1000 retirees are currently being served?  
Peoples Health serves 91,207 members, including 3 Louisiana based employer groups.
4. Provide three references that have similar dynamics to Jefferson Parish Government. At least one reference group should have gone through the respective enrollment process within the last two years. Include contact names, phone numbers and email addresses.  
**Jefferson Parish Government**  
Jessica Palermo, Benefits Administrator  
(504) 736-6131  
[jpalamermo@jeffparish.net](mailto:jpalamermo@jeffparish.net)  
  
**Office of Group Benefits, State of Louisiana**  
Patty Rahl, Group Benefits Manager – Contracts  
(225) 342-9610  
[patty.rahl@la.gov](mailto:patty.rahl@la.gov)  
CaraDeLee, Medical and Pharmacy Management Administrator  
(225) 342-9621  
[cara.delee@la.gov](mailto:cara.delee@la.gov)  
  
**City of Kenner**  
Wendi Folse, Director of Personnel  
(504) 468-7207  
[personnel@kenner.la.us](mailto:personnel@kenner.la.us)
5. How long has your company been in business?  
Peoples Health, a local healthcare company has been in business since 1997 and has been serving Medicare beneficiaries for 25 years.



6. What is your AM Best Rating? If applicable.

Peoples Health has had a contract with Medicare to administer Medicare Advantage plans since 1997. For 2022, Peoples Health H1961 plans have received the Centers for Medicare and Medicaid Services' (CMS) highest rating of 5 out of 5 stars. Peoples Health is the only Medicare Advantage organization to earn Medicare's highest rating in Louisiana five years straight. Four years at 4.5 stars, and now 5 stars for 2022.

7. What is the size of your local staff?

Peoples Health has 751 employees headquartered in Jefferson parish.

8. Provide a resume for each key employee in your organization who will be handling our account.

Please see Appendix A.

9. List three references of over 1,000 retirees' who you administer the health plan. Please provide employer, contact, address and phone number of references.

**Jefferson Parish Government**

Jessica Palermo, Benefits Administrator  
1221 Elmwood Park Blvd., Suite 517  
Jefferson, LA 70123  
(504) 736-6131

**Office of Group Benefits, State of Louisiana**

Patty Rahl, Group Benefits Manager – Contracts  
1201 N. 3<sup>rd</sup> Street, Suite G-159  
Baton Rouge, LA 70802  
(225) 342-9610

**City of Kenner**

Wendi Folse, Director of Personnel  
1801 Williams Blvd.  
Kenner, LA 70062  
(504) 468-7207

10. Describe the account management services and the team that would be responsible for handling the Parish account.

Peoples Health has a dedicated local account staff that provides both implementation and day-to-day management of the Jefferson Parish Government scope of services, tasks and services and deliverables. Peoples Health plan management is led by an experienced and hands on Senior Management Team.

The Senior Management and Jefferson Parish Government account teams are also supported by operational staff in member services, medical management, pharmacy, claims, enrollment, provider relations, communications and IT. Additionally, corporate financial analysis, decision support, compliance, finance and legal departments support the project development and ongoing contract implementation. Peoples Health also has cross departmental teams involved in implementation and monitoring of the scope of services,

tasks and services and deliverables for the Jefferson Parish Government contract. The teams include the Member Advocacy Committee, Appeals and Grievances, Policy, Pharmacy and Therapeutics (P&T) and Implementation.

All project team members are located at the corporate headquarters at Three Lakeway Center in Metairie, Louisiana. The project implementation team includes:

- Gretchen Korndorffer, Director
- Cheryl Miller, Director
- Leslie Keen, Assistant Vice President
- Rachael Shirer, Vice President
- Emmet Geary, Vice President
- Michael Robert, Vice President
- Suzi Swoop O'Brien, Chief Executive Officer

11. Describe the support you would provide as part of a change in vendors. Provide an implementation and communication schedule showing tasks, allocation of responsibilities and personnel.

Peoples Health maintains regular contact with our existing membership, from outreach about new initiatives to standard operational communications, both of which may include outbound phone calls, mailed communications, and emailed communications. New members who enroll in a Peoples Health plan are additionally contacted by our clinical staff to help with their transition to their Peoples Health plan, namely to gain an understanding of their health care needs to ensure there is not an interruption in their care as a new member. As Peoples Health is currently administering a retiree plan for Jefferson Parish Government, to its retirees who are Medicare beneficiaries, the transition should be seamless.

**August:** Statement of Qualifications complete

**September:** Contract awarded

**October – November:** Enrollment of Medicare retirees

**January 1, 2023:** Effective Date of Medicare retirees enrollment and coverage begins

12. Do you agree to comply with all of the proposal assumptions and requirements as outlined in this SOQ? If not, specifically explain how your proposal deviates from this.

Yes

13. Do you agree to administer the requested benefits plan as described? If not, specifically identify any variations in plan designs.

Yes

14. Describe your enrollment process.

Peoples Health will work with Jefferson Parish Government with the ability to offer multiple onsite enrollment events, virtual enrollment events, and pre-recorded enrollment events so all retirees have several options for enrollment. At Jefferson Parish Government's request, we can provide enrollment staff onsite during the annual enrollment period as well as

regularly scheduled onsite events throughout the year.

15. What is your administration charge as a percentage of premiums for JPG?

The administration charge is 15%.

16. What is the JPG pooling level and estimated pooling charge for 2021?

There are no additional charges and no pooling of charges.

17. What unique services or support does your organization provide that you believe sets you apart from your competition?

With our headquarters based in Jefferson Parish, we are proud to maintain our roots in southeast Louisiana as we serve the needs of our membership across the entire state.

We are a local resource, engaged with the community in which we work:

- 34% of Peoples Health employees live in and call Jefferson Parish home.
- Our member services representatives—who actively engage with members on a daily basis to help them understand their coverage, as well as to troubleshoot questions and provide overall support—all work in Louisiana
- Our local care coordination team of clinical staff is comprised of 119 nurses and 28 social workers. They are community-based, local resources who proactively support members in their health journey with a focus on early identification of disease and establishment of plans of care. Additionally, our local, brick-and-mortar service centers locations, as well as home visit capabilities with our nurse practitioner program, allow us to evaluate members face-to-face and by telehealth, provide education opportunities, and serve as a resource to ensure members access the care they need. Helping ensure members get the services they need to take care of their health—our gaps in care program—has allowed us to achieve a five-star rating with CMS.
- All of our claims for Medicare-covered health care services are processed in-house by our dedicated team of claims personnel.
- The fact that Louisiana is our home, the same as it is for the members we serve, also means we have a unique and very personal understanding of how weather events can impact our area, and the stressors it can put on members getting access to/understanding how to access care. The local presence of our member services support team and our clinical teams puts us in a unique position to not only react to post-event needs quickly, but also to do so with heightened empathy and compassion due to our shared experience. In an evacuation situation, we lift the refill too soon edits on prescriptions, allow for additional coverage at members' evacuation locations and ensure members have what they need during this time.
- Peoples Health understands the landscape of our parish and emphasizes with the physical barriers to providing care in this parish.

18. Please provide results from the following surveys for 2020 or 2021:

- Member Satisfaction: Current NPS score of 77
- Provider Satisfaction: Provider NPS score for 2021 is 66
- Benefits Manager Satisfaction: Rated 5 out of 5 stars by the Centers for Medicare and Medicaid Services (CMS) for 2022

19. For which services, and whom, do you outsource the following:

- Mental Health: Optum Behavioral Health

- Laboratory: Quest Diagnostics, Ochsner and multiple other independent labs
- Vision: Vision Benefits Network
- Prescription drug: Optum Rx
- Network management: Managed locally at our Metairie, LA office
- Utilization management: Utilization Management is handled in house and locally at our Metairie, LA office by Medical Affairs and Health Services-Authorizations Division under our Medical Management policies with the exception of part B chemotherapy authorizations, which is delegated to Optum Cancer Guidance Program with close management by Medical Management.

20. What are your weekday and weekend hours of telephone member services availability?

April 1 – September 30: Monday through Friday, from 8 a.m. to 8 p.m.

October 1 – March 31: Seven days a week, from 8 a.m. to 8 p.m.

21. For member services, what was the 2020 or 2021 telephone average speed of answer?

- Member Line: ASA is 20 seconds
- Provider Line: ASA is 20 seconds
- Combined Medical/Utilization Review Line: ASA is 20 seconds

22. What is your Website address and what member information can be accessed from the Website?

[www.peopleshealth.com](http://www.peopleshealth.com)

The following member information can be found on the Peoples Health website:

- Annual plan documents and forms
- Online searches for medication, providers, ancillary providers, fitness centers, hospitals
- Vendor and benefit provider contact information
- Health resources, tips, and videos
- Online forms for submitting appeals and grievances
- Wellness events information and online registration
- Direct access to the member portal, [www.mypeopleshealth.com](http://www.mypeopleshealth.com)

Additionally, Peoples Health has a member portal, MyPeoplesHealth, where members can access the following:

- Claims
- Health plan benefits and coverage summaries
- View/change Primary Care Physician
- Request new plan ID card
- Update address, telephone, member demographics
- Explanation of Benefits
- Plan coverage documents
- Healthcare authorization services

23. What is your 2021 target Per Member per Month (PMPM) medical cost for your network?

<b>Medical Expenses</b>	<b>2021 Projected</b>
Medicare Covered Services	\$820.48
Supplemental Benefits	\$149.98
Pharmacy Benefits	\$118.52
<b>Total Medical</b>	<b>\$1,088.98</b>

24. For what procedures do you offer a Centers of Excellence program? Please provide a listing of locations utilized by procedure.

CMS does not restrict services and procedures to a Centers of Excellence program and members can receive care from any provider who accepts Medicare. Our benefits allow for services and procedures to be provided at any Medicare-certified, licensed provider.

25. A provider network is a critical part of the medical plan; therefore, include provider directory with your proposal. Also, provide a GEO Access report using a standard of two (2) providers within ten (10) miles.

Please see Appendix B.

26. Is MD Anderson in Houston a network provider?

The benefits offered through Peoples Health allow for services and procedures to be provided at any Medicare-certified, licensed provider, which includes MD Anderson in Houston, TX.

27. What disease management programs do you currently have in place?

Peoples Health currently employs a population health management medical management program which allows for risk stratification of our membership and enrollment in multiple disease specific and goal setting programs as needed for our membership. Peoples Health also has readmission reduction, wound care, cancer guidance, case management and transplant programs. Other disease management programs include diabetes management, ready responders and hypertension tracking.

28. Describe your current Wellness Program options and results, including what programs are provided to assist in healthy living.

Peoples Health has a robust wellness program that includes nurse/social worker performed health risk assessments to determine member needs and to identify social determinants of health. Additionally, Peoples Health has nurse practitioners who perform Comprehensive Wellness Assessments on members in our service centers, at home, or via telemedicine to better identify disease, close gaps in care, reconcile medications, establish PCP and specialty follow up, and develop annual plans of care to improve member outcomes.

29. Describe your pharmacy network.

The Peoples Health Pharmacy Network contains over 67,000 contracted pharmacies and are available in all 50 states. The Pharmacies are primarily retail, but there are Long Term Care and Infusion Pharmacies that are contracted.

30. How many Prescription Drug Lists (PDL's) does your company administer?

Peoples Health only offers one PDL for all plans.



31. If more than one PDL, what is the pricing differentials for each PDL and what is the impact on premiums and co-pays?

There is no impact to premiums and copays as there is only 1 PDL.

32. Based on the top 100 drugs based on prescriptions filled, please identify which tier each drug falls under in your company's PDL.

Data is based on YTD Spend:

<b><u>Tier</u></b>	<b><u>Percentage of Prescriptions</u></b>
Generic	85.87%
▪ Preferred	56.15%
▪ Non-Preferred	29.72%
Preferred Brand	13.51%
Non-Preferred Brand	0.62%
Specialty	0.00%

33. Describe your mail order capabilities.

A member may use Optum Rx mail order pharmacy for new prescriptions and refill prescriptions. Refills may be ordered by one of three methods: online, by phone, or by mail. 8,625 drugs are available to order via mail order.

34. What is your market share in your local market based on membership for 2019, 2020 and 2021?

Peoples Health Market Share for Jefferson and Orleans parish:

- 2019: 46.9%
- 2020: 47.0%
- 2021: 47.1%

35. What was your Louisiana profit/loss in 2020 and 2021? Please provide your 2020 or 2021 financial report.

Please see Appendix C.



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## APPENDIX A



**Suzi  
Swoop O'Brien**  
Chief Executive  
Officer

As chief executive officer of Peoples Health, Suzi Swoop O'Brien is the creative vision behind the Peoples Health business model. She guides Peoples Health's strategic plan for continued growth and steers the development and enhancement of the company's Medicare Advantage plans. She also leads the company in establishing its medical home model to improve the health outcomes of all plan members.

O'Brien has devoted her career almost exclusively to the local health care market, affording her the in-depth knowledge and unique perspective that she brings to her position.

O'Brien has been an employee of Peoples Health for 25 years and has held several managerial roles within the company. Her most recent role was chief operating officer. In this position, she was responsible for directing the activities of various departments—including claims, systems operations, appeals and grievances, provider affiliations, and member services—to streamline technologically-advanced processes while exceeding regulatory mandates.

O'Brien earned a Bachelor of Science in commerce and business from the University of Alabama, where she majored in health care management. She currently represents Peoples Health as a member of the Louisiana Association of Health Plans and America's Health Insurance Plans. She also serves on the New Orleans Chamber of Commerce Executive Board and dedicates additional time to serving local nonprofit organizations. She has previously been involved with Junior Achievement, the American Cancer Society and the United Way of Southeast Louisiana's Women's Leadership Initiative team.



## **Colin Hulin**

**Chief Information  
Officer**

As chief information officer for Peoples Health, Colin Hulin provides leadership in developing the company's information technology strategy to ensure that it is appropriately aligned with regulatory and organizational requirements. Under Hulin's direction, the IT department consults, develops and maintains automation systems that uphold and propel corporate operations and goals while supporting the company's employees.

Hulin earned both his Bachelor of Arts and Master of Science in mathematics from the University of New Orleans. His career in information systems and technology spans more than 35 years, during which he served as CIO for Summit Health Group and as vice president of information systems for Pan-American Life. Hulin also served as an adjunct computer science instructor and curriculum advisor for over 12 years at the University of New Orleans. In 1995, he was named the College of Sciences Alumnus of the Year.

Dedicated to education, Hulin has spent many years serving on the school boards of St. Elizabeth Ann Seton Elementary School, Archbishop Rummel High School and Archbishop Chapelle High School. He frequently lends his technology and business expertise on a volunteer basis to several community, school and church organizations. Hulin also serves on the Louisiana Leadership Council of the National Multiple Sclerosis Society and on the UNO Foundation's board of directors.



## **Emmet Geary**

**Vice President of  
Finance and  
Controller**

As vice president of finance and controller for Peoples Health, Emmet Geary oversees the company's accounting and finance functions, including financial statements, regulatory reporting, internal controls, cash management and related financial analysis.

Before joining Peoples Health in 1999, Geary was an accounting manager for International Shipholding Corporation and served as senior-in-charge for a top 20 Washington, D.C., regional CPA firm. He joined Peoples Health as senior accountant and has served as controller for the past seven years. As part of the senior management team, Geary plays an integral role in the company's financial affairs and participates in the overall management of the company.

Geary earned a Bachelor of Science in management from Tulane University. He is a member of the American Institute of Certified Public Accountants and the Insurance Accounting & Systems Association.



**Thomas  
Gennaro**

**Vice President of  
Network  
Development**

As vice president of network development for Peoples Health, Thomas Gennaro is responsible for leading development of the company's provider network and supervising all provider contracting, credentialing, education and reimbursement operations. He also oversees various departments, including financial planning and analysis and administrative services.

Gennaro brings to his role more than 25 years of experience utilizing strong business relationships and financial fundamentals to drive operational objectives. He provides oversight and support for strategic planning activities, ensuring alignment with company goals. He served in a number of leadership positions since joining Peoples Health in 2010, including senior executive director for the company's east bank market. Prior to joining the company, he served as senior vice president of professional development for OrthoSynetics, where he spearheaded business development and strategic planning.

Gennaro earned a Bachelor of Science in finance and a Master of Business Administration with a concentration in accounting from University of New Orleans. He serves as commissioner on the board of the Jefferson Parish Economic Development Commission and dedicates time serving several local nonprofit organizations.



## **Michael J. Rob  rt**

**Senior Vice  
President of  
Internal Audit and  
Compliance**

As senior vice president of internal audit and compliance for Peoples Health, Michael J. Rob  rt is responsible for implementing comprehensive internal control and reporting systems, as well as the regular monitoring and evaluation of those systems. He is also responsible for coordinating regulatory and financial reviews with outside agencies and auditors. A key participant in Peoples Health strategic planning activities, Rob  rt coordinates the development of all plan cost projections, ACRP filings and Medicare Advantage bids.

Rob  rt joined Peoples Health in 1995 and additionally serves as privacy officer for Peoples Health, ensuring the company's health plans remain compliant with all state and federal regulations. In this capacity, he directed the development and implementation of the Peoples Health HIPAA compliance program.

With a bachelor's degree in accounting from Southeastern Louisiana University, Rob  rt began his financial career as controller for Browns Velvet Dairy in New Orleans and served on the Louisiana Dairy Association Finance Committee. Promoted to the position of chief financial officer, his work was instrumental to the dairy's favorable sale to a national chain. Rob  rt then joined the newly established MedFirst Health Plans in New Orleans as controller and served as part of the management team in acquiring an HMO license, developing a business plan and designing competitive health insurance products.

Rob  rt is an active member of America's Health Insurance Plans and the Louisiana Association of Health Plans. He is a past member of the St. Peter's School Finance Committee and former chair of the school's Building and Maintenance Committee. Rob  rt is also an active member of the Knights of Columbus.





## **J. Brent Wallis, M.D.**

**Vice President of  
Clinical Integration**

As vice president of clinical integration for Peoples Health, Dr. J. Brent Wallis is responsible for developing, executing and sustaining provider engagement strategies that support key company initiatives and overall goals. He facilitates a collaborative environment between Peoples Health and its network providers to ensure cost-effective, quality health outcomes for members of the company's health plans.

A physician executive, Wallis brings more than 15 years of experience in the medical field to his position. Previously, he served as Peoples Health market medical director of the New Orleans Westbank, Southland and surrounding regions, providing clinical oversight for the optimization of medical management and quality-of-care programs, as well as educating providers on company resources. Prior to joining Peoples Health, Wallis served as market medical director for JenCare Neighborhood Medical Centers and as a practicing physician for one of JenCare's facilities. He has held several academic appointments throughout his career, including assistant professor of clinical medicine at Louisiana State University Health Sciences Center New Orleans and medical director of the resident clinic for the university's Program of Medicine-Pediatrics.

Wallis earned a medical degree from Medical College of Georgia and completed his residency in the Program of Medicine-Pediatrics at Louisiana State University Health Sciences Center New Orleans. He is board-eligible in pediatrics and holds a certification from the American Board of Internal Medicine. He is also the medical director and a volunteer physician at Luke's House, a nonprofit, free local clinic that provides a doorway to long-term healthcare solutions for uninsured patients.



**Alden  
Kellogg**

**Associate General  
Counsel**

Alden Kellogg oversees the company's legal department. Kellogg's responsibilities include managed care transactions, risk management, Medicare and group health plan compliance, insurance procurement, corporate governance, contract negotiations, litigation management and health care provider compliance, as well as advising executive staff.

Kellogg has served as counsel for Peoples Health since 2005. Prior to joining the company, he worked for a New Orleans law firm, where he focused on representing physicians, hospitals and other health care providers in litigation, regulatory compliance and transactional matters.

Kellogg earned a Bachelor of Arts from Louisiana State University and a Juris Doctor from Southern University Law Center. He currently serves on the Greater New Orleans Inc. Southeast Louisiana Super Region Committee and is the past chairman for both Greater New Orleans Inc. NextGen Council and United Cerebral Palsy of Greater New Orleans. He is also a member of the Louisiana Bar Association, the International Association of Defense Counsel and the Association of Corporate Counsel.



## **Gretchen Korndorffer**

**Director of  
Sales Operations**

As director of sales operations for Peoples Health, Gretchen Korndorffer develops, implements and monitors the systems and processes that support and enhance sales operations functions, as well as related operations and enrollment activities for the company.

Korndorffer develops strategic sales plans to support corporate enrollment goals. She also conducts training for the company's appointed producers, and manages producer onboarding as well as the producer experience. She has managed the Group Medicare business for Peoples Health since 2019. Most recently, she was named site leader of the Peoples Health Medicare Center in Metairie.

An employee with Peoples Health since 1999, Korndorffer brings an array of corporate experience to her position. She started her career with the company as a cash management analyst and then became project manager for the health services department. She transitioned to the marketing and communications department, where she served as the systems manager and then assistant director of sales operations.

Korndorffer earned a Bachelor of Science in finance with a minor in management from the University of New Orleans (UNO). She served as president of the Beta Iota chapter of Phi Chi Theta National Business Fraternity and vice president of the UNO College of Business Executive Council. She is a recipient of the Phi Chi Theta Excellence in Leadership award and the UNO College of Business Administration Student Leader of the Year award.



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## APPENDIX B

Access Overview

August 11, 2022

Access Analysis  
JPG request

Member / Provider Groups  
Peoples Health August 2022 Members  
Peoples Health Network 8.10.2022

Access Map  
Member locations  
◆ With access  
● Without access  

74.95 miles

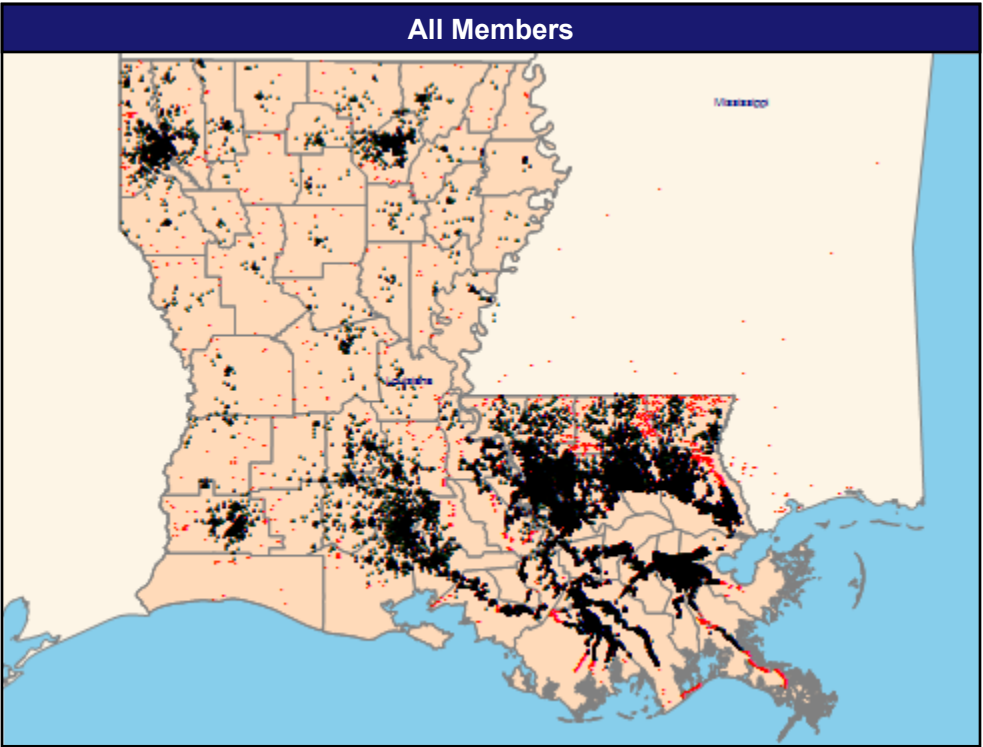
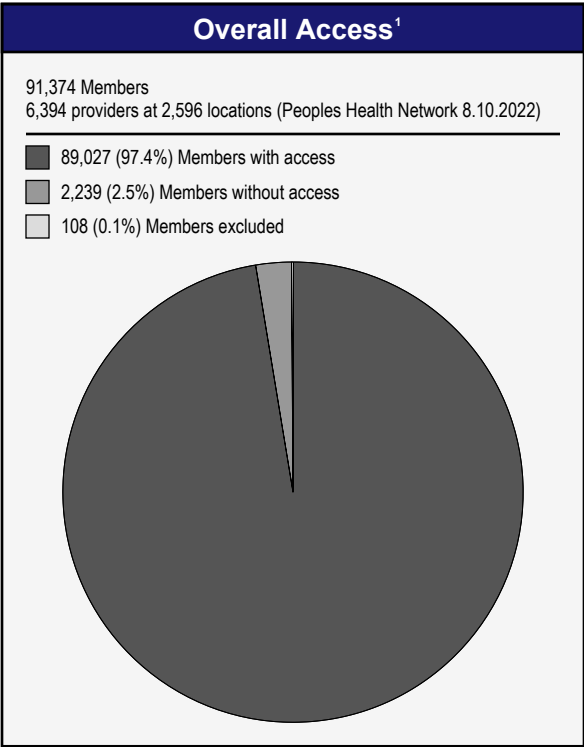
Comparison Graph  
Percent of members with access to a choice of providers over miles  

1st closest

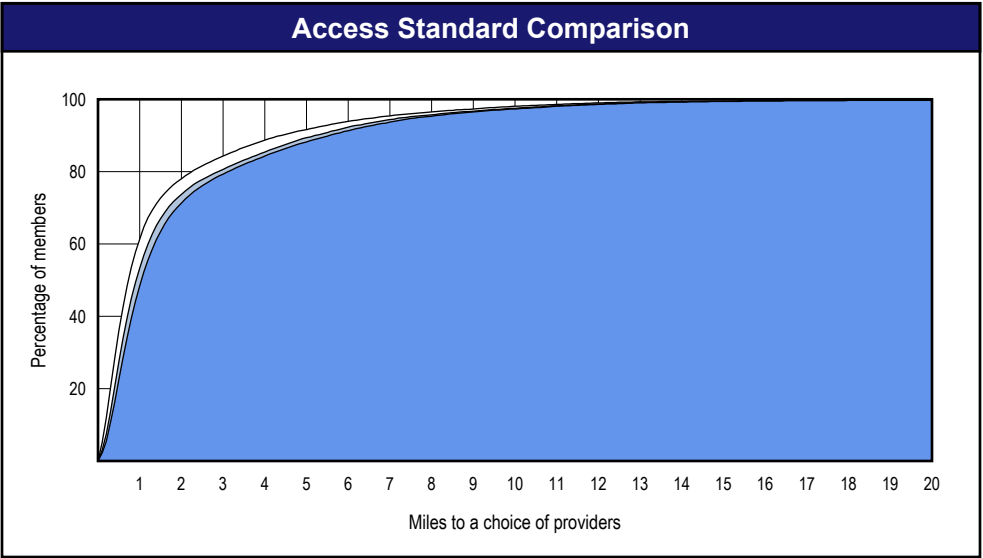
2nd closest

3rd closest

<sup>1</sup> The Access Standard is defined as (Peoples Health August 2022 Members) members accessing:  
2 (Peoples Health Network 8.10.2022) providers in 10 miles



Distances	
	Average
Distance to 1st closest provider	1.7 miles
Distance to 2nd closest provider	2.0 miles
Distance to 3rd closest provider	2.2 miles



## Access Summary By City

August 11, 2022

Access Analysis

JPG request

Member Group

Peoples Health August 2022 Members

Provider Group

Peoples Health Network 8.10.2022

Areas With Access

Top 16 Cities in the market, sorted by the number of members with access

Areas Without Access

Bottom 16 Cities in the market, sorted by the number of members without access

All Members			
Member Group	91,374 members Met Access Threshold - Y 89,027 (97.4%) members with access 2,239 (2.5%) members without access 108 (0.1%) members excluded	Provider Group	6,394 unique providers at 2,596 unique locations (11,633 total access points)

Key Geographic Areas										
City		Member	Provider	With Access		Without Access		Average Distance		
		#	Standard	#	%	#	%	1	2	3
With Access	New Orleans, LA	16,401	2 in 10 miles	16,400	99.9	1	0.1	0.6	0.8	0.8
	Baton Rouge, LA	5,589	2 in 10 miles	5,589	100.0	0	0.0	0.9	1.1	1.3
	Metairie, LA	5,366	2 in 10 miles	5,366	100.0	0	0.0	0.5	0.6	0.6
	Slidell, LA	3,678	2 in 10 miles	3,678	100.0	0	0.0	1.3	2.0	2.1
	Kenner, LA	3,197	2 in 10 miles	3,197	100.0	0	0.0	0.5	0.6	0.6
	Marrero, LA	3,054	2 in 10 miles	3,054	100.0	0	0.0	0.8	0.8	1.0
	Houma, LA	2,734	2 in 10 miles	2,733	99.9	1	0.1	1.4	1.5	1.7
	Gretna, LA	2,190	2 in 10 miles	2,190	100.0	0	0.0	0.5	0.7	0.7
	Westwego, LA	1,787	2 in 10 miles	1,787	100.0	0	0.0	0.8	0.9	1.1
	LA Place, LA	1,639	2 in 10 miles	1,639	100.0	0	0.0	0.8	1.0	1.1
	Hammond, LA	1,621	2 in 10 miles	1,621	100.0	0	0.0	1.4	1.6	1.8
	Covington, LA	1,580	2 in 10 miles	1,579	99.9	1	0.1	1.9	2.3	2.4
	Harvey, LA	1,549	2 in 10 miles	1,549	100.0	0	0.0	1.0	1.0	1.1
	Denham Springs, LA	1,483	2 in 10 miles	1,454	98.0	29	2.0	2.0	2.4	2.5
	Thibodaux, LA	1,329	2 in 10 miles	1,311	98.6	18	1.4	2.2	2.5	2.5
	Shreveport, LA	1,259	2 in 10 miles	1,253	99.5	6	0.5	1.2	1.3	1.5
Without Access	Bush, LA	192	2 in 10 miles	52	27.1	140	72.9	11.8	12.0	12.2
	Pearl River, LA	698	2 in 10 miles	562	80.5	136	19.5	8.5	11.9	12.5
	Kentwood, LA	321	2 in 10 miles	215	67.0	106	33.0	11.2	11.5	11.5
	Buras, LA	93	2 in 10 miles	0	0.0	93	100.0	24.2	24.2	24.2
	Gibson, LA	128	2 in 10 miles	47	36.7	81	63.3	11.6	11.6	11.6
	Saint Bernard, LA	292	2 in 10 miles	218	74.7	74	25.3	13.3	13.4	13.4
	Franklinton, LA	346	2 in 10 miles	275	79.5	71	20.5	12.5	13.0	13.2
	Amite, LA	403	2 in 10 miles	338	83.9	65	16.1	10.5	11.5	11.6
	Port Sulphur, LA	158	2 in 10 miles	100	63.3	58	36.7	10.7	13.7	13.9
	Theriot, LA	71	2 in 10 miles	18	25.4	53	74.6	15.4	15.6	15.7
	Dulac, LA	78	2 in 10 miles	33	42.3	45	57.7	10.7	11.8	11.8
	Plaquemine, LA	361	2 in 10 miles	317	87.8	44	12.2	11.8	11.8	12.0
	Franklin, LA	452	2 in 10 miles	409	90.5	43	9.5	10.0	12.7	12.8
	Angie, LA	74	2 in 10 miles	32	43.2	42	56.8	12.9	13.5	13.6
	White Castle, LA	64	2 in 10 miles	22	34.4	42	65.6	10.8	10.9	10.9
	Braithwaite, LA	86	2 in 10 miles	47	54.7	39	45.3	10.1	14.9	15.1







**A UnitedHealthcare Company**

## APPENDIX C

# **Peoples Health, Inc.**

Statutory Basis Financial Statements as of and  
for the Years Ended December 31, 2021 and 2020,  
Supplemental Schedules as of and for the  
Year Ended December 31, 2021,  
Independent Auditors' Report and Qualification Letter

# PEOPLES HEALTH, INC.

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## **Independent Auditors' Report**

To the Board of Directors and Audit Committee of  
Peoples Health, Inc.

### **Opinions**

We have audited the accompanying statutory basis financial statements of Peoples Health, Inc. (the Company) which comprise the statutory basis statements of admitted assets, liabilities, and capital and surplus of the Company as of December 31, 2021 and 2020, and the related statutory basis statements of operations, changes in capital and surplus and cash flows for the years then ended, and the related notes to the statutory basis financial statements.

#### ***Unmodified Opinion on Regulatory Basis of Accounting***

In our opinion, the accompanying financial statements present fairly, in all material respects, the admitted assets, liabilities, and capital and surplus of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended, on the basis of accounting described in Note 1.

#### ***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Company as of December 31, 2021 and 2020, or the results of its operations or its cash flows for the years then ended.

### **Basis for Opinions**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As described in Note 1 to the financial statements, the financial statements were presented on the basis of accounting practices prescribed or permitted by the Louisiana Department of Insurance, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the statutory basis accounting practices described in Note 1 and accounting principles generally accepted in the United States of America, are also described in Note 1.

## **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting practices prescribed or permitted by the Louisiana Department of Insurance. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the financial statements are issued.

## **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental investment risks interrogatories and summary investment schedule are presented for purposes of additional analysis and to comply with the National Association of Insurance Commissioners' Annual Statement Instructions and the National Association of Insurance Commissioners' Accounting Practices and Procedures Manual and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Baker Tilly US, LLP*

Milwaukee, Wisconsin  
April 26, 2022

# PEOPLES HEALTH, INC.

## STATUTORY BASIS STATEMENTS OF ADMITTED ASSETS, LIABILITIES, AND CAPITAL AND SURPLUS AS OF DECEMBER 31, 2021 AND 2020

	2021	2020
<b>ADMITTED ASSETS</b>		
CASH AND INVESTED ASSETS:		
Bonds	\$ 700,000	\$ 1,000,000
Cash and cash equivalents	73,303,128	60,786,445
Receivables for securities	200,000	-
Subtotal cash and invested assets	<u>74,203,128</u>	<u>61,786,445</u>
OTHER ASSETS:		
Investment income due and accrued	2,739	13,939
Uncollected premiums	10,170,233	14,059,431
Amounts receivable relating to uninsured plans	8,675,396	4,749,049
Current federal income taxes recoverable	5,553	279,362
Other assets	1,495,632	-
Subtotal other assets	<u>20,349,553</u>	<u>19,101,781</u>
TOTAL ADMITTED ASSETS	<u>\$ 94,552,681</u>	<u>\$ 80,888,226</u>
<b>LIABILITIES AND CAPITAL AND SURPLUS</b>		
LIABILITIES:		
Aggregate health policy reserves	\$ 1,929,995	\$ 4,315,691
Premiums received in advance	15,487	25,863
General expenses due or accrued	1,004	205,501
Amounts due to parent, subsidiaries, and affiliates, net	19,768,138	14,673,743
Liability for amounts held under uninsured plans	13,361,559	6,237,093
Other liabilities	3,433	3,001
Total liabilities	<u>35,079,616</u>	<u>25,460,892</u>
CAPITAL AND SURPLUS:		
Common capital stock, no par value, 10,000,000 shares authorized; 1,000 shares issued and outstanding	-	-
Gross paid-in and contributed surplus	29,576,399	29,576,399
Unassigned surplus	29,896,666	25,850,935
Total capital and surplus	<u>59,473,065</u>	<u>55,427,334</u>
TOTAL LIABILITIES AND CAPITAL AND SURPLUS	<u>\$ 94,552,681</u>	<u>\$ 80,888,226</u>

See notes to statutory basis financial statements.



# PEOPLES HEALTH, INC.

## STATUTORY BASIS STATEMENTS OF OPERATIONS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
REVENUES:		
Net premium income	\$ 1,234,463,465	\$ 1,177,794,470
Change in unearned premium reserves	<u>2,385,696</u>	<u>(3,145,878)</u>
Total revenues	<u>1,236,849,161</u>	<u>1,174,648,592</u>
UNDERWRITING DEDUCTIONS:		
Hospital and medical:		
Prescription drugs	70,339,568	73,878,941
Other hospital and medical	<u>980,982,169</u>	<u>924,162,688</u>
Total hospital and medical	1,051,321,737	998,041,629
Claims adjustment expenses	124,285	379,826
General administrative expenses	<u>180,286,639</u>	<u>163,661,574</u>
Total underwriting deductions	<u>1,231,732,661</u>	<u>1,162,083,029</u>
NET UNDERWRITING GAIN	<u>5,116,500</u>	<u>12,565,563</u>
NET INVESTMENT GAINS:		
Net investment income earned	<u>4,679</u>	<u>9,816</u>
Total net investment gains	<u>4,679</u>	<u>9,816</u>
NET INCOME BEFORE FEDERAL INCOME TAXES	5,121,179	12,575,379
FEDERAL INCOME TAXES INCURRED	<u>1,075,448</u>	<u>6,764,665</u>
NET INCOME	<u>\$ 4,045,731</u>	<u>\$ 5,810,714</u>

See notes to statutory basis financial statements.

# PEOPLE'S HEALTH, INC.

## STATUTORY BASIS STATEMENTS OF CHANGES IN CAPITAL AND SURPLUS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

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	Section 9010 ACA Subsequent Fee Year Assessment	Common Capital Stock Shares	Amount	Gross Paid-In and Contributed Surplus	Unassigned Surplus	Total Capital and Surplus
BALANCE—January 1, 2020	\$ 19,834,701	1,000,000	\$ -	\$ 29,576,399	\$ 205,520	\$ 49,616,620
Net income	-	-	-	-	5,810,714	5,810,714
Section 9010 ACA subsequent fee year assessment	<u>(19,834,701)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,834,701</u>	<u>-</u>
BALANCE—December 31, 2020	-	1,000,000	-	29,576,399	25,850,935	55,427,334
Net income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,045,731</u>	<u>4,045,731</u>
BALANCE—December 31, 2021	<u>\$ -</u>	<u>1,000,000</u>	<u>\$ -</u>	<u>\$ 29,576,399</u>	<u>\$ 29,896,666</u>	<u>\$ 59,473,065</u>

See notes to statutory basis financial statements.

# PEOPLE'S HEALTH, INC.

## STATUTORY BASIS STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
CASH FLOWS FROM OPERATIONS:		
Premiums collected, net of reinsurance	\$ 1,409,619,969	\$ 1,339,422,087
Net investment income	15,879	19,963
Benefit and loss related payments	(1,185,070,131)	(1,122,049,824)
Commissions and other expenses paid	(211,347,395)	(192,671,463)
Federal income taxes paid	(801,639)	(7,175,690)
Net cash provided by operations	<u>12,416,683</u>	<u>17,545,073</u>
CASH FLOWS FROM INVESTMENTS:		
Proceeds from investments sold, matured or repaid		
Bonds	<u>500,000</u>	<u>600,000</u>
Total investment proceeds	<u>500,000</u>	<u>600,000</u>
Cost of investments acquired:		
Bonds	(200,000)	(600,000)
Miscellaneous applications	<u>(200,000)</u>	<u>-</u>
Total cost of investments acquired	<u>(400,000)</u>	<u>(600,000)</u>
Net cash provided by investments	<u>100,000</u>	<u>-</u>
RECONCILIATION OF CASH		
NET CHANGE IN CASH	12,516,683	17,545,073
CASH—Beginning of year	<u>60,786,445</u>	<u>43,241,372</u>
CASH—End of year	<u>\$ 73,303,128</u>	<u>\$ 60,786,445</u>

See notes to statutory basis financial statements.

**PEOPLES HEALTH, INC.**

**NOTES TO STATUTORY BASIS FINANCIAL STATEMENTS  
AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GOING CONCERN**

**Organization and Operation**

Peoples Health, Inc. (the “Company”), licensed as a health maintenance organization (“HMO”), offers its enrollees a variety of managed care programs and products through contractual arrangements with health care providers. The Company is a wholly owned subsidiary of New Orleans Regional Physician Hospital Organization, LLC (“NORPHO”), which provides services to the Company under the terms of a management agreement (the “Agreement”). NORPHO is a wholly owned subsidiary of UnitedHealthcare, Inc. (“UHC”). UHC is a wholly owned subsidiary of United HealthCare Services, Inc. (“UHS”). UHS is a wholly owned subsidiary of UnitedHealth Group Incorporated (“UnitedHealth Group”). UnitedHealth Group is a publicly held company trading on the New York Stock Exchange.

The Company was incorporated on August 7, 2006, as an HMO and operations commenced in March 2009. The Company is certified as an HMO by the Louisiana Department of Insurance (“the Department”). The Company has entered into a contract with NORPHO to deliver health care services for all enrollees.

The Company serves as a plan sponsor offering Medicare Parts A & B, along with Medicare Part D prescription drug insurance coverage, as well as Medicare specialized programs including a Dual Special Needs Plan (collectively “Medicare Plans”) under contracts with the Centers for Medicare and Medicaid Services (“CMS”).

**A. Accounting Practices**

The statutory basis financial statements (herein referred to as “financial statements”) are presented on the basis of accounting practices prescribed or permitted by the Department.

The Department recognizes only statutory accounting practices, prescribed or permitted by the State of Louisiana (the “State”), for determining and reporting the financial condition and results of operations of an HMO, for determining its solvency under Louisiana Insurance Law. The State prescribes the use of the National Association of Insurance Commissioners’ (“NAIC”) Accounting Practices and Procedures manual (“NAIC SAP”) in effect for the accounting periods covered in the financial statements.

No significant differences exist between the practices prescribed or permitted by the State and the NAIC SAP which materially affect the statutory basis net income and capital and surplus, as illustrated in the table below:

	SSAP #	F/S Page #	F/S Line #	December 31, 2021	December 31, 2020
<b>Net Income</b>					
(1) Company state basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	\$ 4,045,731	\$ 5,810,714
(2) State prescribed practices that are an increase/(decrease) from NAIC SAP: Not applicable				-	-
(3) State permitted practices that are an increase/(decrease) from NAIC SAP: Not applicable				-	-
(4) NAIC SAP (1 - 2 - 3 = 4)	XXX	XXX	XXX	<u>\$ 4,045,731</u>	<u>\$ 5,810,714</u>
<b>Capital and Surplus</b>					
(5) Company state basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	\$ 59,473,065	\$ 55,427,334
(6) State prescribed practices that are an increase/(decrease) from NAIC SAP: Not applicable				-	-
(7) State permitted practices that are an increase/(decrease) from NAIC SAP: Not applicable				-	-
(8) NAIC SAP (5 - 6 - 7 = 8)	XXX	XXX	XXX	<u>\$ 59,473,065</u>	<u>\$ 55,427,334</u>

## B. Use of Estimates in the Preparation of the Financial Statements

The preparation of these financial statements in conformity with the NAIC Annual Statement Instructions and the NAIC SAP include certain amounts that are based on the Company's estimates and judgments. These estimates require the Company to apply complex assumptions and judgments, often because the Company must make estimates about the effects of matters that are inherently uncertain and will change in subsequent periods. The most significant estimates relate to hospital and medical benefits, aggregate health policy reserves, and risk adjustment estimates. The Company adjusts these estimates each period as more current information becomes available. The impact of any changes in estimates is included in the determination of net income in the period in which the estimate is adjusted.

## C. Accounting Policy

**Basis of Presentation** — The Company prepares its financial statements on the basis of accounting practices prescribed or permitted by the Department. These statutory practices differ from accounting principles generally accepted in the United States of America ("GAAP").

Accounting policy disclosures that are required by the NAIC Annual Statement instructions are as follows:

- (1–2) Bonds are stated at book/adjusted carrying value if they meet NAIC designation of one or two and stated at the lower of book/adjusted carrying value or fair value if they meet an NAIC designation of three or higher. The Company does not have any mandatory convertible securities or Investment Analysis Office of the NAIC (“IAO”) identified funds (i.e.: exchange traded funds or bond mutual funds) in its bond portfolio. Amortization of bond premium or accretion of discount is calculated using the constant-yield interest method. Bonds and short-term investments are valued and reported using market prices published by the IAO in accordance with the NAIC Valuation of Securities manual prepared by the IAO or an external pricing service;
- (3–4) The Company holds no common or preferred stock;
- (5) The Company holds no mortgage loans on real estate;
- (6) The Company holds no loan-backed securities;
- (7) The Company holds no investments in subsidiaries, controlled, or affiliated entities;
- (8) The Company has no investment interests with respect to joint ventures, partnerships, or limited liability companies;
- (9) The Company holds no derivatives;
- (10) Premium deficiency reserves (“PDR”) (inclusive of conversion reserves) and the related expenses are recognized when it is probable that expected future health care expenses, claims adjustment expenses (“CAE”), direct administration costs, and an allocation of indirect administration costs under a group of existing contracts will exceed anticipated future premiums and reinsurance recoveries considered over the remaining lives of the contracts, and are recorded as aggregate health policy reserves in the financial statements. Indirect administration costs arise from activities that are not specifically identifiable to a specific group of existing contracts, and therefore, those costs are fully allocated among the various contract groupings. The allocation of indirect administration costs to each contract grouping is made proportionately to the expected margins remaining in the premiums after future health care expenses, CAE and direct administration costs are considered. The data and assumptions underlying such estimates and the resulting reserves are periodically updated, and any adjustments are reflected as an increase in reserves for life and accident and health contracts in the financial statements in the period in which the change in estimate is identified. The Company does anticipate investment income as a factor in the PDR calculation (see Note 30);
- (11) CAE are those costs expected to be incurred in connection with the adjustment and recording of accident and health claims. Pursuant to the terms of the Agreement (see Note 10), the Company pays a management fee to its affiliate, NORPHO, in exchange for administrative and management services. A detailed review of the administrative expenses of the Company and NORPHO is performed to determine the allocation between CAE and general administrative expenses (“GAE”) to be reported in the financial statements. It is the responsibility of NORPHO to pay CAE in the event the Company ceases operations;
- (12) The Company does not carry any fixed assets in the financial statements;

(13) The Company does not have any health care and other amounts receivable.

The Company has also deemed the following to be significant accounting policies:

## **ASSETS**

### ***Cash and Invested Assets***

- Bonds include securities with a maturity of greater than one year at the time of purchase;
- Cash represents cash held by the Company in operating accounts;
- Cash equivalents include securities that have original maturity dates of three months or less from the date of acquisition.

### ***Other Assets***

- **Uncollected Premiums** — The Company reports uncollected premium balances from its insured groups, and CMS as uncollected premiums in the financial statements. Uncollected premium balances that are over 90 days past due, with the exception of amounts due from government insured plans, are considered nonadmitted assets. In addition to those balances, current balances are also considered nonadmitted if the corresponding balance greater than 90 days past due is deemed more than inconsequential.
- **Amounts Receivable Relating to Uninsured Plans** — The Company reports amounts due to the Company from CMS for the administrative activities it performs for which it has no insurance risk as amounts receivable relating to uninsured plans (see Note 18). Amounts receivable relating to uninsured plans include costs incurred by the Company that are in excess of the cost reimbursement under the Medicare Plans for the catastrophic reinsurance subsidy and the low-income member cost sharing subsidy and amounts due from the pharmaceutical manufacturers for reimbursement of the discounts under the Patient Protection and Affordable Care Act and its related legislation (“ACA”) which mandates consumer discounts on brand name prescription drugs for Part D plan participants in the coverage gap.
- **Current Federal Income Taxes Recoverable** — The Company is included in the consolidated federal income tax return with its ultimate parent, UnitedHealth Group, under which taxes approximate the amount that would have been computed on a separate company basis, with the exception of net operating losses and capital losses. For these losses, the Company receives a benefit at the federal rate in the current year for current taxable losses incurred in that year to the extent losses can be utilized in the consolidated federal income tax return of UnitedHealth Group. A current federal income tax recoverable is recognized when the Company’s allocated intercompany estimated payments are more than its actual calculated obligation based on the Company’s stand-alone federal income tax return (see Note 9).
- **Other Assets** – Other assets include state income tax recoverable amounts that are expected to be recovered as a result of an overpayment of estimated tax carrybacks.



## **LIABILITIES**

- **Aggregate Health Policy Reserves** — The Company establishes a liability, net of ceded reinsurance, for estimated accrued retrospective and redetermination premiums due from the Company based on the actuarial method and assumptions for each respective contract. Aggregate health policy reserves also includes: CMS risk corridor payables for which adjustments are based on whether the ultimate per member per month (“PMPM”) benefit costs of any Medicare Plan varies more than 5% below the level estimated in the original bid submitted by the Company and approved by CMS (see Note 24).
- **Premiums Received in Advance** — Premiums received for the policies processed during the current period, but prior to the commencement of the service period, are recorded as premiums received in advance in the financial statements.
- **General Expenses Due or Accrued** — General expenses that are due as of the reporting date in addition to general expenses that have been incurred but are not due until a subsequent period are reported as general expenses due or accrued in the financial statements.
- **Amounts due to Parent, Subsidiaries, and Affiliates net** — In the normal course of business, the Company has various transactions with related parties (see Note 10). The Company reports any unsettled amounts owed as amounts payable to parent, subsidiaries, and affiliates net, in the financial statements.
- **Liability for Amounts Held Under Uninsured Plans** — Liability for amounts held under uninsured plans represents amounts due from the Company to CMS for the administrative activities it performs for which it has no insurance risk (see Note 18). Liability for amounts held under uninsured plans includes costs incurred that are less than the cost reimbursement under the Medicare Plans for the catastrophic reinsurance and the low-income member cost-sharing, and a liability for the amounts subject to recoupment under the ACA coverage gap discount program.

## **CAPITAL AND SURPLUS AND MINIMUM STATUTORY REQUIREMENTS**

- **Restricted Cash Reserves** —

The Company is in compliance with the State regulatory deposit requirements as of December 31, 2021 and 2020, for qualification purposes as a domestic insurer. These restricted cash reserves are stated at book/adjusted carrying value, which approximates fair value. These restricted deposits are included in bonds in the financial statements. Interest earned on these deposits accrues to the Company (see Note 5).

- **Minimum Capital and Surplus** —

Under the laws of the State, the Department requires the Company to maintain a minimum capital and surplus equal to \$3,000,000.

Risk-based capital (“RBC”) is a regulatory tool for measuring the minimum amount of capital appropriate for a managed care organization to support its overall business operations in consideration of its size and risk profile. The Department requires the Company to maintain minimum capital and surplus equal to the greater of the state statute as outlined above, or the company action level as calculated by the RBC formula.

The Company is in compliance with the minimum required capital and surplus amounts where it is licensed to do business, as of December 31, 2021 and 2020.

## **STATEMENTS OF OPERATIONS**

- **Net Premium Income and Change in Unearned Premium Reserves** — Revenues consist of net premium income that is recognized in the period in which enrollees are entitled to receive health care services. The corresponding change in unearned premium from year to year is reflected as a change in unearned premium reserves in the financial statements.

Medicare Plans with Medical Loss Ratios (“MLRs”) on fully insured products, as calculated under the definitions in the ACA and implementing regulations, that fall below certain targets are required to rebate ratable portions of premiums annually. In addition, the Company records premium adjustments for changes to the CMS Medicare Plans risk corridor program. Changes to these estimates are reflected in change in unearned premium reserves in the financial statements (see Note 24). Net premium income also includes premium under the Medicare Plans which includes CMS premiums, including amounts pursuant to the CMS risk adjustment program (see Note 24), and member premiums, and the CMS low-income premium subsidy for the Company’s insurance risk coverage.

- **Total Hospital and Medical Expenses** — Total hospital and medical expenses include amounts paid and accrued to NORPHO under the Agreement, under which NORPHO agrees to deliver health care services for all enrollees.
- **General Administrative Expenses** — General expenses that have been paid as of the reporting date in addition to general expenses that have been incurred but are not due until a subsequent period are reported as general administrative expenses. Pursuant to the terms of the Agreement (see Note 10), the Company pays a management fee to NORPHO in exchange for administrative and management services. Costs for items not included within the scope of the Agreement are directly expensed as incurred. State income taxes are also a component of GAE. A detailed review of the administrative expenses of the Company and NORPHO is performed to determine the allocation between CAE and GAE to be reported in the financial statements.
- **Net Investment Income Earned** — Net investment income earned includes investment income collected during the period, as well as the change in investment income due and accrued on the Company’s holdings. Amortization of premium or discount on bonds and certain external investment management costs are also included in net investment income (see Note 7).
- **Federal Income Taxes Incurred** — The provision for federal income taxes incurred is calculated based on applying the statutory federal income tax rate of 21% to net income before federal income taxes subject to certain adjustments (see Note 9).

## **OTHER**

- **Vulnerability Due to Certain Concentrations** — The Company is subject to substantial federal and state government regulation, including licensing and other requirements relating to the offering of the Company’s existing products in new markets and offerings of new products, both of which may restrict the Company’s ability to expand its business.

Direct premiums written and uncollected premiums, including receivables for contracts subject to redetermination, from members and CMS related to the Medicare Plans as a percentage of total direct premiums written and total uncollected premiums, including receivables for contracts subject to redetermination, are 100% and 100% as of December 31, 2021 and 100% and 100% as of December 31, 2020, respectively.

**Recently Issued Accounting Standards** — In July 2020, the NAIC revised Statement of Statutory Accounting Principles (“SSAP”) No. 106, *Affordable Care Act Section 9010 Assessment* for the repeal of the Affordable Care Act Section 9010 Assessment, effective January 1, 2021. The Company adopted the revision on the effective date.

The Company reviewed all other recently issued guidance in 2021 and 2020 that has been adopted for 2021 or subsequent years’ implementation and has determined that none of the items would have a significant impact to the financial statements.

**D. Going Concern**

The Company has the ability and will continue to operate for a period of time sufficient to carry out its commitments, obligations and business objectives.

**2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS**

No changes in accounting principles or corrections of errors have been recorded during the years ended December 31, 2021 and 2020.

**3. BUSINESS COMBINATIONS AND GOODWILL**

**A–E.** The Company was not party to a business combination during the years ended December 31, 2021 and 2020, and does not carry goodwill in its financial statements.

**4. DISCONTINUED OPERATIONS**

**A. Discontinued Operation Disposed of or Classified as Held for Sale**

**(1–4)** The Company did not have any discontinued operations disposed of or classified as held for sale during 2021 and 2020.

**B. Change in Plan of Sale of Discontinued Operation** — Not applicable.

**C. Nature of any Significant Continuing Involvement with Discontinued Operations after Disposal** — Not applicable.

**D. Equity Interest Retained in the Discontinued Operation after Disposal** — Not applicable.

## 5. INVESTMENTS

As of December 31, 2021 and 2020, the book/adjusted carrying value, fair value, and gross unrecognized unrealized gains and losses of the Company's investments, excluding cash and cash equivalents of \$73,303,128 and \$60,786,445 respectively, are disclosed in the table below:

	2021				Fair Value
	Book/Adjusted Carrying Value	Gross Unrecognized Unrealized Gains	Gross Unrecognized Unrealized Losses < 1 Year	Gross Unrecognized Unrealized Losses > 1 Year	
U.S. government and agency securities	\$ -	\$ -	\$ -	\$ -	\$ -
State and agency municipal securities	-	-	-	-	-
City and county municipal securities	-	-	-	-	-
Corporate debt securities	700,000	-	-	-	700,000
Other invested assets	-	-	-	-	-
Preferred stocks	-	-	-	-	-
Total bonds	<u>\$ 700,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 700,000</u>

	2021				Fair Value
	Book/Adjusted Carrying Value	Gross Unrecognized Unrealized Gains	Gross Unrecognized Unrealized Losses < 1 Year	Gross Unrecognized Unrealized Losses > 1 Year	
Less than one year	\$ -	\$ -	\$ -	\$ -	\$ -
One to five years	700,000	-	-	-	700,000
Five to ten years	-	-	-	-	-
Over ten years	-	-	-	-	-
Total bonds	<u>\$ 700,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 700,000</u>

	2020				Fair Value
	Book/Adjusted Carrying Value	Gross Unrecognized Unrealized Gains	Gross Unrecognized Unrealized Losses < 1 Year	Gross Unrecognized Unrealized Losses > 1 Year	
U.S. government and agency securities	\$ -	\$ -	\$ -	\$ -	\$ -
State and agency municipal securities	-	-	-	-	-
City and county municipal securities	-	-	-	-	-
Corporate debt securities	1,000,000	-	-	-	1,000,000
Other invested assets	-	-	-	-	-
Preferred stocks	-	-	-	-	-
Total bonds	<u>\$ 1,000,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,000,000</u>

**A–C.** The Company has no mortgage loans, real estate loans, restructured debt, or reverse mortgages. The Company also has no real estate property occupied by the Company, real estate property held for the production of income, or real estate property held for sale.

### D. Loan-Backed Securities

(1–5) The Company has no loan-backed securities.

- E. Dollar Repurchase Agreements and/or Securities Lending Transactions — Not applicable.**
- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing — Not applicable.**
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing — Not applicable.**
- H. Repurchase Agreements Transactions Accounted for as a Sale — Not applicable.**
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale — Not applicable.**
- J. Real Estate — Not applicable.**
- K. Low-Income Housing Tax Credits (“LIHTC”) — Not applicable.**

## L. Restricted Assets

(1) Restricted assets, including pledged securities as of December 31, 2021 and 2020, are presented below:

Restricted Asset Category	1 Total Gross (Admitted & Nonadmitted) Restricted From Current Year	2 Total Gross (Admitted & Nonadmitted) Restricted From Prior Year	3 Increase/ (Decrease) (1 Minus 2)	4 Total Current Year Nonadmitted Restricted	5 Total Current Year Admitted Restricted (1 minus 4)	6 Gross (Admitted & Nonadmitted) Restricted to Total Assets (a)	7 Admitted Restricted to Total Admitted Assets (b)
a. Subject to contractual obligation for which liability is not shown	\$ -	\$ -	\$ -	\$ -	\$ -	0 %	0 %
b. Collateral held under security lending agreements	-	-	-	-	-	0 %	0 %
c. Subject to repurchase agreements	-	-	-	-	-	0 %	0 %
d. Subject to reverse repurchase agreements	-	-	-	-	-	0 %	0 %
e. Subject to dollar repurchase agreements	-	-	-	-	-	0 %	0 %
f. Subject to dollar reverse repurchase agreements	-	-	-	-	-	0 %	0 %
g. Placed under option contracts	-	-	-	-	-	0 %	0 %
h. Letter stock or securities restricted as to sale—excluding FHLB capital stock	-	-	-	-	-	0 %	0 %
i. FHLB capital stock	-	-	-	-	-	0 %	0 %
j. On deposit with states	700,000	1,000,000	(300,000)	-	700,000	<1 %	<1 %
k. On deposit with other regulatory bodies	-	-	-	-	-	0 %	0 %
l. Pledged as collateral to FHLB (including assets backing funding agreements)	-	-	-	-	-	0 %	0 %
m. Pledged as collateral not captured in other categories	-	-	-	-	-	0 %	0 %
n. Other restricted assets	-	-	-	-	-	0 %	0 %
<b>o. Total restricted assets</b>	<b>\$ 700,000</b>	<b>\$ 1,000,000</b>	<b>\$ (300,000)</b>	<b>\$ -</b>	<b>\$ 700,000</b>	<b>0 %</b>	<b>0 %</b>

(a) Column 1 divided by Asset Page, Column 1, Line 28

(b) Column 5 divided by Asset Page, Column 3, Line 28

(2–4) The Company has no assets pledged as collateral not captured in other categories and no other restricted assets as of December 31, 2021 or 2020.

M. Working Capital Finance Investments — Not applicable.

## N. Offsetting and Netting of Assets and Liabilities

The Company does not have any offsetting or netting of assets and liabilities as it relates to derivatives, repurchase and reverse repurchase agreements, and securities borrowing and securities lending activities.

## O. 5GI Securities

The Company does not have any investments with an NAIC designation of 5GI as of December 31, 2021 and 2020.

**P. Short Sales** — Not applicable.

**Q. Prepayment Penalty and Acceleration Fees**

The Company does not have any prepayment penalty and acceleration fees as of December 31, 2021.

**R. Reporting Entity's Share of Cash Pool by Asset Type** — Not applicable.

**6. JOINT VENTURES, PARTNERSHIPS, AND LIMITED LIABILITY COMPANIES**

**A–B.** The Company has no investments in joint ventures, partnerships, or limited liability companies that exceed 10% of admitted assets and did not recognize any impairment write-down for its investments in joint ventures, partnerships, and limited liability companies during the statement periods.

**7. INVESTMENT INCOME**

**A.** The Company excludes all investment income due and accrued amounts that are over 90 days past due from the financial statements.

**B.** There were no investment income amounts excluded from the financial statements.

**8. DERIVATIVE INSTRUMENTS**

**A–B.** The Company has no derivative instruments.

**9. INCOME TAXES**

**A. Deferred Tax Asset/Liability**

**(1)** The components of the net deferred tax asset at December 31, 2021 and 2020 are as follows:

	2021			2020			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1 - 4) Ordinary	8 (Col 2 - 5) Capital	9 (Col 7+8) Total
(a) Gross deferred tax assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(b) Statutory valuation allowance adjustments	-	-	-	-	-	-	-	-	-
(c) Adjusted gross deferred tax assets (1a - 1b)	-	-	-	-	-	-	-	-	-
(d) Deferred tax assets nonadmitted	-	-	-	-	-	-	-	-	-
(e) Subtotal net admitted deferred tax asset (1c - 1d)	-	-	-	-	-	-	-	-	-
(f) Deferred tax liabilities	-	-	-	-	-	-	-	-	-
(g) Net admitted deferred tax asset/(net deferred tax liability) (1e - 1f)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

- (2) The components of the adjusted gross deferred tax assets admissibility calculation under SSAP No. 101, *Income Taxes*, are as follows:

Admission Calculation Components SSAP No. 101	2021			2020			Change		
	1 Ordinary	2 Capital	3 (Col 1 + 2) Total	4 Ordinary	5 Capital	6 (Col 4 + 5) Total	7 (Col 1 - 4) Ordinary	8 (Col 2 - 5) Capital	9 (Col 7 + 8) Total
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation. (The lesser of 2(b)1 and 2(b)2 below)	-	-	-	-	-	-	-	-	-
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	-	-	-	-	-	-	-	-	-
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	-	XXX	XXX	-	XXX	XXX	-
(c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	-	-	-	-	-	-	-	-	-
(d) Deferred tax assets admitted as the result of application of SSAP No. 101									
Total (2(a) + 2(b) + 2(c))	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

- (3) The ratio percentage and adjusted capital and surplus used to determine the recovery period and threshold limitations for the admissibility calculation are presented below:

	2021	2020
(a) Ratio percentage used to determine recovery period and threshold limitation amount	215%	208%
(b) Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)(2) above	\$ 59,473,065	\$ 55,427,334



- (4) The impact to the gross deferred tax assets balances as a result of tax-planning strategies as of December 31, 2021 and 2020 is presented below:

Impact of Tax-Planning Strategies	2021		2020		Change	
	1	2	3	4	5	6
	Ordinary	Capital	Ordinary	Capital	(Col 1 - 3) Ordinary	(Col 2 - 4) Capital
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets by tax character as a percentage.						
1. Adjusted gross DTAs amount from Note 9A1(c)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax-planning strategies	- %	- %	- %	- %	- %	- %
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax-planning strategies	- %	- %	- %	- %	- %	- %
(b) Does the Company's tax-planning strategies include the use of reinsurance?			Yes			No <u>X</u>

## B. Unrecognized Deferred Tax Liabilities

- (1–4) There are no unrecognized deferred tax liabilities for the years ended December 31, 2021 and 2020.

## C. Significant Components of Income Taxes

- (1) The current federal and foreign income taxes incurred for the years ended December 31, 2021 and 2020 are as follows:

	1	2	3
	2021	2020	(Col 1 - 2) Change
1. Current income tax			
(a) Federal	\$ 1,075,448	\$ 6,764,665	\$ (5,689,217)
(b) Foreign	-	-	-
(c) Subtotal	1,075,448	6,764,665	(5,689,217)
(d) Federal income tax on net capital gains (losses)	-	-	-
(e) Utilization of capital loss carryforwards	-	-	-
(f) Other	-	-	-
(g) Total federal and foreign income taxes incurred	<u>\$ 1,075,448</u>	<u>\$ 6,764,665</u>	<u>\$ (5,689,217)</u>

**(2-4)** The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and liabilities as of December 31, 2021 and 2020, are as follows:

	1	2	3
	2021	2020	(Col 1 - 2) Change
<b>2 Deferred tax assets:</b>			
(a) Ordinary:			
(1) Discounting of unpaid losses	\$ -	\$ -	\$ -
(2) Unearned premium reserve	-	-	-
(3) Policyholder reserves	-	-	-
(4) Investments	-	-	-
(5) Deferred acquisition costs	-	-	-
(6) Policyholder dividends accrual	-	-	-
(7) Fixed assets	-	-	-
(8) Compensation and benefits accrual	-	-	-
(9) Pension accrual	-	-	-
(10) Receivables — nonadmitted	-	-	-
(11) Net operating loss carryforward	-	-	-
(12) Tax credit carryforward	-	-	-
(13) Other (including items <5% of total ordinary tax assets)	-	-	-
(99) Subtotal	-	-	-
(b) Statutory valuation allowance adjustment	-	-	-
(c) Nonadmitted	-	-	-
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	-	-	-
(e) Capital:			
(1) Investments	-	-	-
(2) Net capital loss carryforward	-	-	-
(3) Real estate	-	-	-
(4) Other (including items <5% of total capital tax assets)	-	-	-
(99) Subtotal	-	-	-
(f) Statutory valuation allowance adjustment	-	-	-
(g) Nonadmitted	-	-	-
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	-	-	-
(i) Admitted deferred tax assets (2d + 2h)	-	-	-
<b>3 Deferred tax liabilities:</b>			
(a) Ordinary:			
(1) Investments	-	-	-
(2) Fixed assets	-	-	-
(3) Deferred and uncollected premium	-	-	-
(4) Policyholder reserves	-	-	-
(5) Other (including items <5% of total ordinary tax liabilities)	-	-	-
(99) Subtotal	-	-	-
(b) Capital:			
(1) Investments	-	-	-
(2) Real estate	-	-	-
(3) Other (including items <5% of total capital tax liabilities)	-	-	-
(99) Subtotal	-	-	-
(c) Deferred tax liabilities (3a99 + 3b99)	-	-	-
<b>4 Net deferred tax assets/liabilities (2i - 3c)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

- D. The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate of 21% to net income before federal income taxes incurred. A summarization of the significant items causing this difference as of December 31, 2021 and 2020 is as follows:

	2021		2020	
	Amount	Effective Tax Rate	Amount	Effective Tax Rate
Tax provision at the federal statutory rate	\$ 1,075,448	21%	\$ 2,640,830	21%
Tax-exempt interest	-	-	-	-
Health insurer fee	-	-	4,175,808	33%
Current year tax credit	-	-	-	-
Other current year items	-	-	-	-
Tax effect of nonadmitted assets	-	-	-	-
Prior year true-up	-	-	(51,973)	-
Deferred corrections	-	-	-	-
Change in statutory valuation allowance	-	-	-	-
Other	-	-	-	-
Total statutory income taxes	<u>\$ 1,075,448</u>	<u>21%</u>	<u>\$ 6,764,665</u>	<u>54%</u>
Federal income taxes incurred	\$ 1,075,448	21%	\$ 6,764,665	54%
Capital gains tax	-	-	-	-
Change in net deferred income tax	-	-	-	-
Total statutory income taxes	<u>\$ 1,075,448</u>	<u>21%</u>	<u>\$ 6,764,665</u>	<u>54%</u>

- E. At December 31, 2021, the Company had no net operating loss carryforwards.

Current federal income tax recoverable of \$5,553 and \$279,362 as of December 31, 2021 and 2020, respectively, are included in the financial statements. Federal income taxes paid, net of refunds were \$801,639 and \$7,175,690 in 2021 and 2020, respectively.

Federal income taxes incurred of \$1,075,448 and \$6,816,638 for 2021 and 2020, respectively, are available for recoupment in the event of future net losses.

The Company has not admitted any aggregate amounts of deposits that are included within Section 6603 ("Deposits made to suspend running of interest on potential underpayments, etc.") of the Internal Revenue Service ("IRS") Code.

- F. The Company is included in the consolidated federal income tax return with its ultimate parent, UnitedHealth Group. The entities included within the consolidated return are included in the NAIC Statutory Statement Schedule Y - Information Concerning Activities of Insurer Members Of A Holding Company Group. Federal income taxes are paid to or refunded by UnitedHealth Group pursuant to the terms of a tax-sharing agreement, approved by the Board of Directors, under which taxes approximate the amount that would have been computed on a separate company basis, with the exception of net operating losses and capital losses. For these losses the Company receives a benefit at the federal rate in the current year for current taxable losses incurred in that year to the extent losses can be utilized in the consolidated federal return of UnitedHealth Group. UnitedHealth Group currently files income tax returns in the U.S. federal jurisdiction, various states, and foreign jurisdictions. The U.S. IRS has completed exams on UnitedHealth Group's consolidated income tax returns for fiscal years 2016 and prior. UnitedHealth Group's 2017 through 2020 tax returns are under review by the IRS under its Compliance Assurance Program. With the exception of a few states, UnitedHealth Group is no longer subject to income tax examinations prior to the 2014 tax year. In general, the Company is subject to examination in non-U.S. jurisdictions for years 2015 and forward. The Company does not believe any adjustments that may result from these examinations will be material to the Company.

- G. **Tax Contingencies** — Not applicable.
- H. **Repatriation Transition Tax** — Not applicable.
- I. **Alternative Minimum Tax Credit** — Not applicable.

## 10. INFORMATION CONCERNING PARENT, SUBSIDIARIES, AND AFFILIATES

- A–B.** In the ordinary course of business, the Company contracts with an affiliate to provide a wide variety of services to the Company's members. This agreement is filed with and approved by the Department according to Management's understanding of the current requirements and standards. Within the confines of the applicable filed and approved agreement (including subsequent amendments thereto), the amount and types of services provided by this affiliated entity can change year over year.

The Company has a tax-sharing agreement with UnitedHealth Group (see Note 9).

### C. Transactions With Related Parties Who Are Not Reported On Schedule Y

The Company has no material related party transactions that meet the disclosure requirements pursuant to SSAP No. 25, *Affiliates and Other Related Parties* ("SSAP No. 25") that are not included in NAIC Statutory Statement Schedule Y—Part 2 Summary Of Insurer's Transactions With Any Affiliates.

- D.** At December 31, 2021 and 2020, the Company reported \$19,768,138 and \$14,673,743, respectively, as amounts due to parent, subsidiaries, and affiliates net, which are included in the financial statements. These balances are generally settled within 90 days from the incurred date. Any balances due to the Company that are not settled within 90 days are considered nonadmitted assets.
- E.** The administrative services, access fees, and cost of care services provided by NORPHO are calculated using one or more of the following methods: (1) a percentage of premiums; (2) use of assets; (3) direct pass-through of charges; (4) per member per month; (5) per employee per month; (6) per claim; or (7) a combination thereof consistent with the provisions contained in each contract. These amounts are included in GAE, CAE, and hospital and medical expenses in the financial statements. The following table identifies the amounts reported for the administrative services, access fees, and cost of care services provided by related parties for the years ended December 31, 2021 and 2020, which meet the disclosure requirements pursuant to SSAP No. 25, regardless of the effective date of the contract:

	2021	2020
NORPHO	\$ 1,230,663,828	\$ 1,141,057,983

NORPHO provides, or arranges for the provision of, management, administrative, and other services deemed necessary or appropriate for NORPHO to provide management and operational support to the Company. The services can include, but are not limited to, the categories of management and operational services outlined in the Agreement, such as human resources, legal, facilities, general administration, treasury and investment functions, claims adjudication and payment, benefit administration, disease management, health care decision support, provider networks, quality oversight and wellness management. The amount charged to the Company for the management and operational services provided by NORPHO are calculated pursuant to the Agreement.

- F.** The Company has not extended any guarantees or undertakings for the benefit of an affiliate or related party.
- G.** The Company is part of an insurance holding company system with UnitedHealth Group as the ultimate parent. Management believes that the Company's transactions with affiliates are fair and reasonable; however, operations of the Company may not be indicative of those that would have occurred if it had operated as an independent company.
- H.** The Company does not have any amount deducted from the value of an upstream intermediate entity or ultimate parent owned, either directly or indirectly, via a downstream subsidiary, controlled, or affiliated entity.
- I.** The Company does not have any investments in a subsidiary, controlled, or affiliated entity that exceeds 10% of admitted assets.
- J.** The Company does not have any investments in impaired subsidiaries, controlled, or affiliated entities.
- K.** The Company does not have any investments in foreign insurance subsidiaries.
- L.** The Company does not hold any investments in a downstream noninsurance holding company.
- M.** The Company does not have any investments in noninsurance subsidiaries, controlled, or affiliated entities.
- N.** The Company does not have any investments in insurance subsidiaries, controlled, or affiliated entities.
- O.** The Company does not have any investments in subsidiary, controlled, or affiliated entities or joint ventures, partnerships and limited liability companies in which the Company's share of losses exceeds the investment.

## **11. DEBT**

- A–B.** The Company had no outstanding debt with third-parties or outstanding Federal Home Loan Bank agreements during 2021 and 2020.

## **12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS**

- A–I.** The Company has no defined benefit plans, defined contribution plans, multiemployer plans, consolidated/holding company plans, postemployment benefits, or compensated absences plans and is not impacted by the Medicare Modernization Act on postretirement benefits, since all personnel are employees of UHS, which provides services to the Company under the terms of the Agreement (see Note 10).

## **13. CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS, AND QUASI-REORGANIZATIONS**

- A–B.** The Company has 10,000,000 shares authorized and 1,000,000 shares issued and outstanding of no par value common stock. The Company has no preferred stock outstanding. All issued and outstanding shares of common stock are held by the Company's parent, NORPHO.
- C.** Dividend payment requirements are outlined in the domiciliary state statutes and may be further restricted by the Department.

- D. The Company paid no dividends and no infusions were received during 2021 or 2020.
- E. The amount of ordinary dividends that may be paid out during any given period is subject to certain restrictions as specified by state statute.
- F. There are no restrictions placed on the Company's unassigned surplus.
- G. The Company is not a mutual reciprocal or a similarly organized entity and does not have advances to surplus not repaid.
- H. The Company does not hold any stock, including stock of affiliated companies for special purposes, such as conversion of preferred stock, employee stock options, or stock purchase warrants.
- I. The Company does not have any special surplus funds.
- J. The portion of unassigned surplus, excluding the change in accounting principles, correction(s) of error(s), net income (loss), and dividends or infusions, represented by each item below is as follows:

	2021	2020
Unrealized capital gains (losses) on investments	\$ -	\$ -
Net deferred income taxes	-	-
Nonadmitted assets	-	-
Asset valuation reserve	-	-
Reinsurance in unauthorized companies	-	-
	<hr/>	<hr/>
Total	<u>\$ -</u>	<u>\$ -</u>

- K-M. The Company does not have any outstanding surplus notes and has never been a party to a quasi-reorganization.

#### 14. LIABILITIES, CONTINGENCIES AND ASSESSMENTS

##### A. Contingent Commitments

The Company has no contingent commitments.

##### B. Assessments

The Company is not aware of any guaranty fund assessments or premium tax offsets, potential or accrued, that could have a material financial effect on the operations of the entity.

##### C. Gain Contingencies

The Company is not aware of any gain contingencies that should be disclosed in the financial statements.

##### D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits — Not applicable.

##### E. Joint and Several Liabilities — Not applicable.

## **F. All Other Contingencies**

The Company's business is regulated at the federal, state, and local levels. The laws and rules governing the Company's business and interpretations of those laws and rules are subject to frequent change. Broad latitude is given to the agencies administering those regulations. Further, the Company must obtain and maintain regulatory approvals to market and sell many of its products.

The Company has been, or is currently involved, in various governmental investigations, audits and reviews. These include routine, regular and special investigations, audits and reviews by CMS, state insurance and health and welfare departments and other governmental authorities. The Company cannot reasonably estimate the range of loss, if any, that may result from any material government investigations, audits and reviews in which it is currently involved given the inherent difficulty in predicting regulatory action, fines and penalties, if any, and the various remedies and levels of judicial review available to the Company in the event of an adverse finding.

On February 14, 2017, the Department of Justice ("DOJ") announced its decision to pursue certain claims within a lawsuit initially asserted against the Company and filed under seal by a whistleblower in 2011. The whistleblower's complaint, which was unsealed on February 15, 2017, alleges that the Company made improper risk adjustment submissions and violated the False Claims Act. On February 12, 2018, the court granted in part and denied in part the Company's motion to dismiss. In May 2018, the DOJ moved to dismiss the Company's counterclaims, which were filed in March 2018, and moved for partial summary judgment. In March 2019, the court denied the government's motion for partial summary judgment and dismissed the Company's counterclaims without prejudice. The Company cannot reasonably estimate the outcome that may result from this matter given its procedural status.

Because of the nature of its businesses, the Company is frequently made party to a variety of legal actions and regulatory inquiries, including class actions and suits brought by members, care providers, consumer advocacy organizations, customers and regulators, relating to the Company's businesses, including management and administration of health benefit plans and other services.

The Company records liabilities for its estimates of probable costs resulting from these matters where appropriate. Estimates of costs resulting from legal and regulatory matters involving the Company are inherently difficult to predict, particularly where the matters involve: indeterminate claims for monetary damages or may involve fines, penalties or punitive damages; present novel legal theories or represent a shift in regulatory policy; involve a large number of claimants or regulatory bodies; are in the early stages of the proceedings; or could result in a change in business practices. Accordingly, the Company is often unable to estimate the losses or ranges of losses for those matters where there is a reasonable possibility, or it is probable that a loss may be incurred. Although the outcomes of any such legal actions cannot be predicted, in the opinion of management, the resolution of any currently pending or threatened actions will not have a material adverse effect on the financial statements of the Company.

The Company routinely evaluates the collectability of all receivable amounts included in the financial statements. Impairment reserves are established for those amounts where collectability is uncertain. Based on the Company's past experience, exposure related to uncollectible balances and the potential of loss for those balances not currently reserved for is not material to the Company's statutory basis financial condition.

There are no assets that the Company considers to be impaired at December 31, 2021 and 2020.

**15. LEASES**

**A–B.** According to the Agreement between the Company and NORPHO (see Note 10), operating leases for the rental of office facilities and equipment are the responsibility of NORPHO. Fees associated with the lease agreements are included as a component of the Company's management fee.

**16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE-SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK**

**(1–4)** The Company does not hold any financial instruments with off-balance-sheet risk or have any concentrations of credit risk.

**17. SALE, TRANSFER, AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES**

**A–C.** The Company did not participate in any transfer of receivables, financial assets or wash sales.

**18. GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS**

**A–B.** The Company has no operations from Administrative Services Only Contracts or Administrative Services Contracts in 2021 and 2020.

**C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract**

The Medicare Part D program is a partially insured plan. The Company recorded a receivable of \$2,778,559 at December 31, 2021 and also a payable of \$5,307,834 and \$3,780,178 at December 31, 2021 and 2020, respectively, for cost reimbursement under the Medicare Part D program for the catastrophic reinsurance and low-income member cost-sharing subsidies. The Company also recorded a receivable of \$5,896,837 and \$4,749,049 and also a payable of \$8,053,725 and \$2,456,915 at December 31, 2021 and 2020, respectively, for the Medicare Part D coverage gap discount program. The receivables and payables are recorded in amounts receivable relating to uninsured plans and liability for amounts held under uninsured plans, respectively, in the financial statements. These Medicare subsidies are described in Note 1, *Amounts Receivable Relating to Uninsured Plans* and *Liability for Amounts Held Under Uninsured Plans*.



## 19. DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD-PARTY ADMINISTRATORS

During 2021 and 2020, the Company had \$1,234,463,465 and \$1,177,794,470, respectively, of direct premiums written through one affiliated managing general agent which represents 100% and 100% of total direct premiums written for the years ended December 31, 2021 and 2020, respectively, as shown below:

2021					
Name and Address of Managing General Agent or Third Party Administration	FEIN Number	Exclusive Contract	Types of Business Written	Types of Authority Granted	Total Direct Premium Written/ Produced By
New Orleans Regional Physician Hospital Organization, LLC.	72-1267232	Yes	TPA		\$ 1,234,463,465
Total					<u>\$ 1,234,463,465</u>

2020					
Name and Address of Managing General Agent or Third Party Administration	FEIN Number	Exclusive Contract	Types of Business Written	Types of Authority Granted	Total Direct Premium Written/ Produced By
New Orleans Regional Physician Hospital Organization, LLC.	72-1267232	Yes	TPA		\$ 1,177,794,470
Total					<u>\$ 1,177,794,470</u>

## 20. FAIR VALUE MEASUREMENTS

The NAIC SAP defines fair value, establishes a framework for measuring fair value, and outlines the disclosure requirements related to fair value measurements. The fair value hierarchy is as follows:

*Level 1* — Quoted (unadjusted) prices for identical assets in active markets.

*Level 2* — Other observable inputs, either directly or indirectly, including:

- Quoted prices for similar assets in active markets;
- Quoted prices for identical or similar assets in nonactive markets (few transactions, limited information, noncurrent prices, high variability over time, etc.);
- Inputs other than quoted prices that are observable for the asset (interest rates, yield curves, volatilities, default rates, etc.);
- Inputs that are derived principally from or corroborated by other observable market data.

*Level 3* — Unobservable inputs that cannot be corroborated by observable market data.

The estimated fair values of bonds and cash equivalents (collectively “investment holdings”) are based on quoted market prices, where available. The Company obtains one price for each security primarily from a third-party pricing service (“pricing service”), which generally uses quoted prices or other observable inputs for the determination of fair value. The pricing service normally derives the security prices through recently reported trades for identical or similar securities, making adjustments through the reporting date based upon available observable market information. For securities not actively traded, the pricing service may use quoted market prices of comparable instruments or discounted cash flow analyses, incorporating inputs that are currently observable in the markets for similar securities. Inputs that are often used in the valuation methodologies include, but are not limited to, non-binding broker quotes, benchmark yields, credit spreads, default rates, and prepayment speeds. As the Company is responsible for the determination of fair value, it performs quarterly analyses on the prices received from the pricing service to determine whether the prices are reasonable estimates of fair value. Specifically, the Company compares the prices received from the pricing service to a secondary pricing source, prices reported by its custodian, its investment consultant, and third-party investment advisors. Additionally, the Company compares changes in the reported market values and returns to relevant market indices to test the reasonableness of the reported prices. The Company’s internal price verification procedures and review of fair value methodology documentation provided by independent pricing services have not historically resulted in an adjustment in the prices obtained from the pricing service.

In instances in which the inputs used to measure fair value fall into different levels of the fair value hierarchy, the fair value measurement has been determined based on the lowest-level input that is significant to the fair value measurement in its entirety. The Company’s assessment of the significance of a particular item to the fair value measurement in its entirety requires judgment, including the consideration of inputs specific to the asset or liability.

## A. Fair Value

### (1) Fair Value Measurements at Reporting Date

The following table presents information about the Company's financial assets that are measured and reported at fair value at December 31, 2021, in the financial statements according to the valuation techniques the Company used to determine their fair values. The Company does not have financial assets measured and reported at fair value at December 31, 2020.

Description for Each Class of Asset or Liability	December 31, 2021				Total
	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	
a. Assets at fair value:					
Perpetual preferred stock:					
Industrial and misc	\$ -	\$ -	\$ -	\$ -	\$ -
Parent, subsidiaries, and affiliates	-	-	-	-	-
Total perpetual preferred stocks	-	-	-	-	-
Bonds:					
U.S. governments	-	-	-	-	-
Industrial and misc	-	-	-	-	-
Hybrid securities	-	-	-	-	-
Parent, subsidiaries, and affiliates	-	-	-	-	-
Total bonds	-	-	-	-	-
Common stock:					
Industrial and misc	-	-	-	-	-
Parent, subsidiaries, and affiliates	-	-	-	-	-
Total common stocks	-	-	-	-	-
Derivative assets:					
Interest rate contracts	-	-	-	-	-
Foreign exchange contracts	-	-	-	-	-
Credit contracts	-	-	-	-	-
Commodity futures contracts	-	-	-	-	-
Commodity forward contracts	-	-	-	-	-
Total derivatives	-	-	-	-	-
Money-market funds	100,000	-	-	-	100,000
Qualified cash pool	-	-	-	-	-
Additional write-ins	-	-	-	-	-
Separate account assets	-	-	-	-	-
Total assets at fair value/NAV	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000
b. Liabilities at fair value:					
Derivative liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Additional write-ins	-	-	-	-	-
Additional write-ins	-	-	-	-	-
Total liabilities at fair value	\$ -	\$ -	\$ -	\$ -	\$ -

- (2) The Company does not have any financial assets with a fair value hierarchy of Level 3 that were measured and reported at fair value.
- (3) Transfers between fair value hierarchy levels, if any, are recorded as of the beginning of the reporting period in which the transfer occurs. There were no transfers between Levels 1, 2 or 3 of any financial assets or liabilities during the years ended December 31, 2021 or 2020.
- (4) The Company has no investments reported with a fair value hierarchy of Level 2 or Level 3 and therefore has no valuation technique to disclose.
- (5) The Company has no derivative assets and liabilities to disclose.

**B. Fair Value Combination** — Not applicable.

**C. Aggregate Fair Value Hierarchy**

The aggregate fair value by hierarchy of all financial instruments as of December 31, 2021 and 2020 is presented in the table below:

Type of Financial Instrument	December 31, 2021						Not Practicable (Carrying Value)
	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	
U.S. government and agency securities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State and agency municipal securities	-	-	-	-	-	-	-
City and county municipal securities	-	-	-	-	-	-	-
Corporate debt securities	700,000	700,000	-	700,000	-	-	-
Cash equivalents	100,000	100,000	100,000	-	-	-	-
Other invested assets	-	-	-	-	-	-	-
Equity (including marketable common stock)	-	-	-	-	-	-	-
Total bonds, short-term investments, cash equivalents, and equity (including marketable common stocks)	<u>\$ 800,000</u>	<u>\$ 800,000</u>	<u>\$ 100,000</u>	<u>\$ 700,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Type of Financial Instrument	December 31, 2020						Not Practicable (Carrying Value)
	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	
U.S. government and agency securities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State and agency municipal securities	-	-	-	-	-	-	-
City and county municipal securities	-	-	-	-	-	-	-
Corporate debt securities	1,000,000	-	-	1,000,000	-	-	-
Cash equivalents	-	-	-	-	-	-	-
Other invested assets	-	-	-	-	-	-	-
Equity (including marketable common stock)	-	-	-	-	-	-	-
Total bonds, short-term investments, cash equivalents, and equity (including marketable common stocks)	<u>\$ 1,000,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,000,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**D. Not Practicable to Estimate Fair Value** — Not applicable.

**E. Investments Measured Using the NAV Practical Expedient** — Not applicable.

**21. OTHER ITEMS**

**COVID-19 Trends and Uncertainties**

The COVID-19 pandemic continues to evolve and the ultimate overall impact to the Company's financial statements is uncertain and dependent on the future pacing, intensity and duration of the pandemic, the severity of new variants of the COVID-19 virus, the effectiveness and extent of administration of vaccination and treatments and general economic uncertainty.

**A. Unusual or Infrequent Items**

The Company did not encounter any unusual or infrequent items for the years ended December 31, 2021 and 2020.

**B. Troubled Debt Restructuring: Debtors**

The Company has no troubled debt restructurings as of December 31, 2021 and 2020.

**C. Other Disclosures**

The Company does not have any amounts not recorded in the financial statements that represent segregated funds held for others. The Company also does not have any exposures related to forward commitments that are not derivative instruments.

**D. Business Interruption Insurance Recoveries**

The Company has not received any business interruption insurance recoveries during 2021 and 2020.

**E. State Transferable and Non-transferable Tax Credits**

The Company has no transferable or non-transferable state tax credits.

**F. Sub-Prime Mortgage-Related Risk Exposure**

(1-4) The Company does not have any sub-prime mortgage-related risk exposure as of December 31, 2021 and 2020.

**G. Retained Assets**

The Company does not have any retained asset accounts for beneficiaries.

**H. Insurance-Linked Securities Contracts**

As of December 31, 2021, the Company is not aware of any possible proceeds of insurance-linked securities.

**I. The Amount That Could Be Realized on Life Insurance Where the Reporting Entity is Owner and Beneficiary or Has Otherwise Obtained Rights to Control the Policy — Not applicable.**

**22. EVENTS SUBSEQUENT**

Subsequent events have been evaluated through April 26, 2022, which is the date these financial statements were available for issuance.

**TYPE I — Recognized Subsequent Events**

Any material Type I events subsequent to December 31, 2021, have been recognized in the financial statements and corresponding disclosures.

**TYPE II — Non-Recognized Subsequent Events**

There are no material non-recognized Type II events that require disclosure.

**23. REINSURANCE**

**A–D.** The Company does not have any affiliated or unaffiliated reinsurance agreements in place as of December 31, 2021 or 2020.

**E. Reinsurance Credit** – Not applicable.

**24. RETROSPECTIVELY RATED CONTRACTS AND CONTRACTS SUBJECT TO REDETERMINATION**

**A.** The Company estimates accrued retrospective premium adjustments for its group health insurance business based on mathematical calculations in accordance with contractual terms.

- B.** Estimated accrued retrospective premiums due from the Company are recorded in aggregate health policy reserves in the financial statements and as an adjustment to change in unearned premium reserves and reserve for rate in the financial statements.
- C.** Pursuant to the ACA, the Company's Medicare business is subject to retrospectively rated features based on the actual MLR experienced on the Medicare line of business and redetermination features for premium adjustments for changes to each member's health scores based on guidelines determined by the ACA. The total amount of direct premiums written for the Medicare line of business for which a portion is subject to the retrospectively rated and redetermination features was \$1,228,605,530 and \$1,171,619,375, representing 99.5% and 99.5% of total direct premiums written as of December 31, 2021 and December 31, 2020, respectively.

The Company has Medicare Part D risk-corridor amounts from CMS which are subject to a retrospectively rated feature. The Company has estimated accrued retrospective premiums related to certain Part D premiums based on guidelines determined by CMS. The formula is tiered and based on the bid MLR. The amount of Medicare Part D direct premiums written subject to the retrospectively rated feature was \$51,156,406 and \$57,405,769, representing 4.14% and 4.87% of total direct premiums written as of December 31, 2021 and December 31, 2020, respectively.

- D.** The Company does not have comprehensive commercial business subject to specific minimum loss ratio requirements as of December 31, 2021 and 2020. The Company is required to maintain a specific minimum loss ratio on the Medicare line of business.

The Company's actual loss ratios on the Medicare line of business was in excess of the minimum requirements and as a result, no minimum MLR rebate liability was required to be established at December 31, 2021 and 2020.

**E. Risk-Sharing Provisions of the Affordable Care Act**

- (1–5)** The Company did not write accident and health premiums in 2021 and 2020 subject to the risk-sharing provisions of the ACA.

**25. CHANGE IN INCURRED CLAIMS AND CLAIMS ADJUSTMENT EXPENSES**

**A–B.** The Company did not have any change in incurred claims or CAE in 2021 or 2020.

**26. INTERCOMPANY POOLING ARRANGEMENTS**

**A–G.** The Company did not have any intercompany pooling arrangements in 2021 or 2020.

**27. STRUCTURED SETTLEMENTS**

**A–B.** The Company did not have structured settlements in 2021 or 2020.

**28. HEALTH CARE AND OTHER AMOUNTS RECEIVABLE**

- A.** The Company does not have any pharmacy rebates receivable.
- B.** The Company does not have any risk-sharing receivables.

**29. PARTICIPATING POLICIES**

The Company did not have any participating contracts in 2021 or 2020.

### 30. PREMIUM DEFICIENCY RESERVES

The Company has not recorded any PDR as of December 31, 2021 or 2020. The analysis of PDR was completed as of December 31, 2021 and 2020. The Company did consider anticipated investment income when calculating the PDR.

The following table summarizes the Company's PDR as of December 31, 2021 and 2020:

	2021
1. Liability carried for premium deficiency reserves	\$ -
2. Date of the most recent evaluation of this liability	12/31/2021
3. Was anticipated investment income utilized in this calculation?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
	2020
1. Liability carried for premium deficiency reserves	\$ -
2. Date of the most recent evaluation of this liability	12/31/2020
3. Was anticipated investment income utilized in this calculation?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

### 31. ANTICIPATED SALVAGE AND SUBROGATION

Due to the type of business being written, the Company has no salvage. As of December 31, 2021 and 2020, the Company had no specific accruals established for outstanding subrogation, as it is considered a component of the actuarial calculations used to develop the estimates of claims unpaid and aggregate health claim reserves.

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**SUPPLEMENTAL SCHEDULES  
EXHIBIT I: SUPPLEMENTAL INVESTMENT  
RISKS INTERROGATORIES**





# SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES

For The Year Ended December 31, 2021  
(To Be Filed by April 1)

Of The Peoples Health, Inc. ....  
ADDRESS (City, State and Zip Code) Metairie , LA 70002-8306 .....  
NAIC Group Code 0707 ..... NAIC Company Code 13607 ..... Federal Employer's Identification Number (FEIN) 20-5662149 .....

The Investment Risks Interrogatories are to be filed by April 1. They are also to be included with the Audited Statutory Financial Statements.

Answer the following interrogatories by reporting the applicable U.S. dollar amounts and percentages of the reporting entity's total admitted assets held in that category of investments.

1. Reporting entity's total admitted assets as reported on Page 2 of this annual statement .....\$ .....94,552,681

2. Ten largest exposures to a single issuer/borrower/investment.

	1	2	3	4
	Issuer	Description of Exposure	Amount	Percentage of Total Admitted Assets
2.01	.....	.....	\$ .....0.0 %	.....0.0 %
2.02	.....	.....	\$ .....0.0 %	.....0.0 %
2.03	.....	.....	\$ .....0.0 %	.....0.0 %
2.04	.....	.....	\$ .....0.0 %	.....0.0 %
2.05	.....	.....	\$ .....0.0 %	.....0.0 %
2.06	.....	.....	\$ .....0.0 %	.....0.0 %
2.07	.....	.....	\$ .....0.0 %	.....0.0 %
2.08	.....	.....	\$ .....0.0 %	.....0.0 %
2.09	.....	.....	\$ .....0.0 %	.....0.0 %
2.10	.....	.....	\$ .....0.0 %	.....0.0 %

3. Amounts and percentages of the reporting entity's total admitted assets held in bonds and preferred stocks by NAIC designation.

	Bonds	1	2	Preferred Stocks	3	4
3.01	NAIC-1	\$ .....700,000	.....0.7 %	3.07	P/RP-1	\$ .....0.0 %
3.02	NAIC-2	\$ .....0	.....0.0 %	3.08	P/RP-2	\$ .....0.0 %
3.03	NAIC-3	\$ .....0	.....0.0 %	3.09	P/RP-3	\$ .....0.0 %
3.04	NAIC-4	\$ .....0	.....0.0 %	3.10	P/RP-4	\$ .....0.0 %
3.05	NAIC-5	\$ .....0	.....0.0 %	3.11	P/RP-5	\$ .....0.0 %
3.06	NAIC-6	\$ .....0	.....0.0 %	3.12	P/RP-6	\$ .....0.0 %

4. Assets held in foreign investments:

4.01 Are assets held in foreign investments less than 2.5% of the reporting entity's total admitted assets? ..... Yes [ X ] No [ ]

If response to 4.01 above is yes, responses are not required for interrogatories 5 - 10.

4.02 Total admitted assets held in foreign investments ..... \$ .....0.0 %  
4.03 Foreign-currency-denominated investments ..... \$ .....0.0 %  
4.04 Insurance liabilities denominated in that same foreign currency ..... \$ .....0.0 %

**SUPPLEMENT FOR THE YEAR 2021 OF THE Peoples Health, Inc.**

5. Aggregate foreign investment exposure categorized by NAIC sovereign designation:

		<u>1</u>	<u>2</u>
5.01	Countries designated NAIC-1 .....	\$ .....	.....0.0 %
5.02	Countries designated NAIC-2 .....	\$ .....	.....0.0 %
5.03	Countries designated NAIC-3 or below .....	\$ .....	.....0.0 %

6. Largest foreign investment exposures by country, categorized by the country's NAIC sovereign designation:

		<u>1</u>	<u>2</u>
	Countries designated NAIC - 1:		
6.01	Country 1: .....	\$ .....	.....0.0 %
6.02	Country 2: .....	\$ .....	.....0.0 %
	Countries designated NAIC - 2:		
6.03	Country 1: .....	\$ .....	.....0.0 %
6.04	Country 2: .....	\$ .....	.....0.0 %
	Countries designated NAIC - 3 or below:		
6.05	Country 1: .....	\$ .....	.....0.0 %
6.06	Country 2: .....	\$ .....	.....0.0 %

		<u>1</u>	<u>2</u>
7.	Aggregate unhedged foreign currency exposure .....	\$ .....	.....0.0 %

8. Aggregate unhedged foreign currency exposure categorized by NAIC sovereign designation:

		<u>1</u>	<u>2</u>
8.01	Countries designated NAIC-1 .....	\$ .....	.....0.0 %
8.02	Countries designated NAIC-2 .....	\$ .....	.....0.0 %
8.03	Countries designated NAIC-3 or below .....	\$ .....	.....0.0 %

9. Largest unhedged foreign currency exposures by country, categorized by the country's NAIC sovereign designation:

		<u>1</u>	<u>2</u>
	Countries designated NAIC - 1:		
9.01	Country 1: .....	\$ .....	.....0.0 %
9.02	Country 2: .....	\$ .....	.....0.0 %
	Countries designated NAIC - 2:		
9.03	Country 1: .....	\$ .....	.....0.0 %
9.04	Country 2: .....	\$ .....	.....0.0 %
	Countries designated NAIC - 3 or below:		
9.05	Country 1: .....	\$ .....	.....0.0 %
9.06	Country 2: .....	\$ .....	.....0.0 %

10. Ten largest non-sovereign (i.e. non-governmental) foreign issues:

	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
	Issuer	NAIC Designation		
10.01	.....	.....	\$ .....	.....0.0 %
10.02	.....	.....	\$ .....	.....0.0 %
10.03	.....	.....	\$ .....	.....0.0 %
10.04	.....	.....	\$ .....	.....0.0 %
10.05	.....	.....	\$ .....	.....0.0 %
10.06	.....	.....	\$ .....	.....0.0 %
10.07	.....	.....	\$ .....	.....0.0 %
10.08	.....	.....	\$ .....	.....0.0 %
10.09	.....	.....	\$ .....	.....0.0 %
10.10	.....	.....	\$ .....	.....0.0 %

# SUPPLEMENT FOR THE YEAR 2021 OF THE Peoples Health, Inc.

11. Amounts and percentages of the reporting entity's total admitted assets held in Canadian investments and unhedged Canadian currency exposure:

11.01 Are assets held in Canadian investments less than 2.5% of the reporting entity's total admitted assets? ..... Yes [ X ] No [ ]

If response to 11.01 is yes, detail is not required for the remainder of interrogatory 11.

	1	2
11.02 Total admitted assets held in Canadian investments .....	\$ .....	.....0.0 %
11.03 Canadian-currency-denominated investments .....	\$ .....	.....0.0 %
11.04 Canadian-denominated insurance liabilities .....	\$ .....	.....0.0 %
11.05 Unhedged Canadian currency exposure .....	\$ .....	.....0.0 %

12. Report aggregate amounts and percentages of the reporting entity's total admitted assets held in investments with contractual sales restrictions:

12.01 Are assets held in investments with contractual sales restrictions less than 2.5% of the reporting entity's total admitted assets? ..... Yes [ X ] No [ ]

If response to 12.01 is yes, responses are not required for the remainder of Interrogatory 12.

	1	2	3
12.02 Aggregate statement value of investments with contractual sales restrictions .....	\$ .....	.....0.0 %	
Largest three investments with contractual sales restrictions:			
12.03 .....	\$ .....	.....0.0 %	
12.04 .....	\$ .....	.....0.0 %	
12.05 .....	\$ .....	.....0.0 %	

13. Amounts and percentages of admitted assets held in the ten largest equity interests:

13.01 Are assets held in equity interests less than 2.5% of the reporting entity's total admitted assets? ..... Yes [ X ] No [ ]

If response to 13.01 above is yes, responses are not required for the remainder of Interrogatory 13.

	1 Issuer	2	3
13.02 .....	\$ .....	.....0.0 %	
13.03 .....	\$ .....	.....0.0 %	
13.04 .....	\$ .....	.....0.0 %	
13.05 .....	\$ .....	.....0.0 %	
13.06 .....	\$ .....	.....0.0 %	
13.07 .....	\$ .....	.....0.0 %	
13.08 .....	\$ .....	.....0.0 %	
13.09 .....	\$ .....	.....0.0 %	
13.10 .....	\$ .....	.....0.0 %	
13.11 .....	\$ .....	.....0.0 %	

**SUPPLEMENT FOR THE YEAR 2021 OF THE Peoples Health, Inc.**

14. Amounts and percentages of the reporting entity's total admitted assets held in nonaffiliated, privately placed equities:

14.01 Are assets held in nonaffiliated, privately placed equities less than 2.5% of the reporting entity's total admitted assets? ..... Yes [ ☒ ] No [ ☐ ]

If response to 14.01 above is yes, responses are not required for 14.02 through 14.05.

	1	2	3
14.02 Aggregate statement value of investments held in nonaffiliated, privately placed equities .....	\$ .....	.....	.....0.0 %
Largest three investments held in nonaffiliated, privately placed equities:			
14.03 .....	\$ .....	.....	.....0.0 %
14.04 .....	\$ .....	.....	.....0.0 %
14.05 .....	\$ .....	.....	.....0.0 %

Ten largest fund managers:

	1	2	3	4
	Fund Manager	Total Invested	Diversified	Nondiversified
14.06 .....	.....	\$ .....0	\$ .....	\$ .....
14.07 .....	.....	\$ .....0	\$ .....	\$ .....
14.08 .....	.....	\$ .....0	\$ .....	\$ .....
14.09 .....	.....	\$ .....0	\$ .....	\$ .....
14.10 .....	.....	\$ .....0	\$ .....	\$ .....
14.11 .....	.....	\$ .....0	\$ .....	\$ .....
14.12 .....	.....	\$ .....0	\$ .....	\$ .....
14.13 .....	.....	\$ .....0	\$ .....	\$ .....
14.14 .....	.....	\$ .....0	\$ .....	\$ .....
14.15 .....	.....	\$ .....0	\$ .....	\$ .....

15. Amounts and percentages of the reporting entity's total admitted assets held in general partnership interests:

15.01 Are assets held in general partnership interests less than 2.5% of the reporting entity's total admitted assets? ..... Yes [ ☒ ] No [ ☐ ]

If response to 15.01 above is yes, responses are not required for the remainder of Interrogatory 15.

	1	2	3
15.02 Aggregate statement value of investments held in general partnership interests .....	\$ .....	.....	.....0.0 %
Largest three investments in general partnership interests:			
15.03 .....	\$ .....	.....	.....0.0 %
15.04 .....	\$ .....	.....	.....0.0 %
15.05 .....	\$ .....	.....	.....0.0 %

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16. Amounts and percentages of the reporting entity's total admitted assets held in mortgage loans:

16.01 Are mortgage loans reported in Schedule B less than 2.5% of the reporting entity's total admitted assets? ..... Yes [ X ] No [ ]

If response to 16.01 above is yes, responses are not required for the remainder of Interrogatory 16 and Interrogatory 17.

	1	2	3
	Type (Residential, Commercial, Agricultural)		
16.02	.....	\$ .....	.....0.0 %
16.03	.....	\$ .....	.....0.0 %
16.04	.....	\$ .....	.....0.0 %
16.05	.....	\$ .....	.....0.0 %
16.06	.....	\$ .....	.....0.0 %
16.07	.....	\$ .....	.....0.0 %
16.08	.....	\$ .....	.....0.0 %
16.09	.....	\$ .....	.....0.0 %
16.10	.....	\$ .....	.....0.0 %
16.11	.....	\$ .....	.....0.0 %

Amount and percentage of the reporting entity's total admitted assets held in the following categories of mortgage loans:

	Loans	
16.12	Construction loans .....	\$ .....0.0 %
16.13	Mortgage loans over 90 days past due .....	\$ .....0.0 %
16.14	Mortgage loans in the process of foreclosure .....	\$ .....0.0 %
16.15	Mortgage loans foreclosed .....	\$ .....0.0 %
16.16	Restructured mortgage loans .....	\$ .....0.0 %

17. Aggregate mortgage loans having the following loan-to-value ratios as determined from the most current appraisal as of the annual statement date:

	Residential	Commercial	Agricultural
Loan to Value	1	2	3
17.01	above 95%.....	\$ .....0.0 %	\$ .....0.0 %
17.02	91 to 95%.....	\$ .....0.0 %	\$ .....0.0 %
17.03	81 to 90%.....	\$ .....0.0 %	\$ .....0.0 %
17.04	71 to 80%.....	\$ .....0.0 %	\$ .....0.0 %
17.05	below 70%.....	\$ .....0.0 %	\$ .....0.0 %

18. Amounts and percentages of the reporting entity's total admitted assets held in each of the five largest investments in real estate:

18.01 Are assets held in real estate reported less than 2.5% of the reporting entity's total admitted assets? ..... Yes [ X ] No [ ]

If response to 18.01 above is yes, responses are not required for the remainder of Interrogatory 18.

Largest five investments in any one parcel or group of contiguous parcels of real estate.

	Description	1	2	3
18.02	.....	\$ .....	.....0.0 %	
18.03	.....	\$ .....	.....0.0 %	
18.04	.....	\$ .....	.....0.0 %	
18.05	.....	\$ .....	.....0.0 %	
18.06	.....	\$ .....	.....0.0 %	

19. Report aggregate amounts and percentages of the reporting entity's total admitted assets held in investments held in mezzanine real estate loans:

19.01 Are assets held in investments held in mezzanine real estate loans less than 2.5% of the reporting entity's total admitted assets? ..... Yes [ X ] No [ ]

If response to 19.01 is yes, responses are not required for the remainder of Interrogatory 19.

	1	2	3
19.02	Aggregate statement value of investments held in mezzanine real estate loans: .....	\$ .....	.....0.0 %
	Largest three investments held in mezzanine real estate loans:		
19.03	.....	\$ .....	.....0.0 %
19.04	.....	\$ .....	.....0.0 %
19.05	.....	\$ .....	.....0.0 %

**SUPPLEMENT FOR THE YEAR 2021 OF THE Peoples Health, Inc.**

20. Amounts and percentages of the reporting entity's total admitted assets subject to the following types of agreements:

		At Year End		1st Quarter		At End of Each Quarter		3rd Quarter	
		1	2	3		4		5	
20.01	Securities lending agreements (do not include assets held as collateral for such transactions)	\$ .....	0.0 %	\$ .....		\$ .....		\$ .....	
20.02	Repurchase agreements	\$ .....	0.0 %	\$ .....		\$ .....		\$ .....	
20.03	Reverse repurchase agreements	\$ .....	0.0 %	\$ .....		\$ .....		\$ .....	
20.04	Dollar repurchase agreements	\$ .....	0.0 %	\$ .....		\$ .....		\$ .....	
20.05	Dollar reverse repurchase agreements	\$ .....	0.0 %	\$ .....		\$ .....		\$ .....	

21. Amounts and percentages of the reporting entity's total admitted assets for warrants not attached to other financial instruments, options, caps, and floors:

		Owned		Written	
		1	2	3	4
21.01	Hedging	\$ .....	0.0 %	\$ .....	0.0 %
21.02	Income generation	\$ .....	0.0 %	\$ .....	0.0 %
21.03	Other	\$ .....	0.0 %	\$ .....	0.0 %

22. Amounts and percentages of the reporting entity's total admitted assets of potential exposure for collars, swaps, and forwards:

		At Year End		1st Quarter		At End of Each Quarter		3rd Quarter	
		1	2	3		4		5	
22.01	Hedging	\$ .....0	0.0 %	\$ .....0		\$ .....0		\$ .....0	
22.02	Income generation	\$ .....0	0.0 %	\$ .....0		\$ .....0		\$ .....0	
22.03	Replications	\$ .....0	0.0 %	\$ .....0		\$ .....0		\$ .....0	
22.04	Other	\$ .....0	0.0 %	\$ .....0		\$ .....0		\$ .....0	

23. Amounts and percentages of the reporting entity's total admitted assets of potential exposure for futures contracts:

		At Year End		1st Quarter		At End of Each Quarter		3rd Quarter	
		1	2	3		4		5	
23.01	Hedging	\$ .....0	0.0 %	\$ .....0		\$ .....0		\$ .....0	
23.02	Income generation	\$ .....0	0.0 %	\$ .....0		\$ .....0		\$ .....0	
23.03	Replications	\$ .....0	0.0 %	\$ .....0		\$ .....0		\$ .....0	
23.04	Other	\$ .....0	0.0 %	\$ .....0		\$ .....0		\$ .....0	

**EXHIBIT II: SUMMARY  
INVESTMENT SCHEDULE**

**SUMMARY INVESTMENT SCHEDULE**

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement			
	1 Amount	2 Percentage of Column 1 Line 13	3 Amount	4 Securities Lending Reinvested Collateral Amount	5 Total (Col. 3 + 4) Amount	6 Percentage of Column 5 Line 13
1. Long-Term Bonds (Schedule D, Part 1):						
1.01 U.S. governments .....		0.000			0	0.000
1.02 All other governments .....		0.000			0	0.000
1.03 U.S. states, territories and possessions, etc. guaranteed .....		0.000			0	0.000
1.04 U.S. political subdivisions of states, territories, and possessions, guaranteed .....		0.000			0	0.000
1.05 U.S. special revenue and special assessment obligations, etc. non-guaranteed .....		0.000			0	0.000
1.06 Industrial and miscellaneous .....	700,000	0.943	700,000		700,000	0.943
1.07 Hybrid securities .....		0.000				0.000
1.08 Parent, subsidiaries and affiliates .....		0.000			0	0.000
1.09 SVO identified funds .....		0.000			0	0.000
1.10 Unaffiliated Bank loans .....		0.000			0	0.000
1.11 Total long-term bonds .....	700,000	0.943	700,000	0	700,000	0.943
2. Preferred stocks (Schedule D, Part 2, Section 1):						
2.01 Industrial and miscellaneous (Unaffiliated) .....	0	0.000			0	0.000
2.02 Parent, subsidiaries and affiliates .....	0	0.000			0	0.000
2.03 Total preferred stocks .....	0	0.000	0	0	0	0.000
3. Common stocks (Schedule D, Part 2, Section 2):						
3.01 Industrial and miscellaneous Publicly traded (Unaffiliated) .....		0.000			0	0.000
3.02 Industrial and miscellaneous Other (Unaffiliated) .....		0.000			0	0.000
3.03 Parent, subsidiaries and affiliates Publicly traded .....		0.000			0	0.000
3.04 Parent, subsidiaries and affiliates Other .....		0.000			0	0.000
3.05 Mutual funds .....		0.000			0	0.000
3.06 Unit investment trusts .....		0.000			0	0.000
3.07 Closed-end funds .....		0.000			0	0.000
3.08 Total common stocks .....	0	0.000	0	0	0	0.000
4. Mortgage loans (Schedule B):						
4.01 Farm mortgages .....	0	0.000			0	0.000
4.02 Residential mortgages .....	0	0.000			0	0.000
4.03 Commercial mortgages .....	0	0.000			0	0.000
4.04 Mezzanine real estate loans .....	0	0.000			0	0.000
4.05 Total valuation allowance .....		0.000			0	0.000
4.06 Total mortgage loans .....	0	0.000	0	0	0	0.000
5. Real estate (Schedule A):						
5.01 Properties occupied by company .....		0.000	0		0	0.000
5.02 Properties held for production of income .....		0.000	0		0	0.000
5.03 Properties held for sale .....		0.000	0		0	0.000
5.04 Total real estate .....	0	0.000	0	0	0	0.000
6. Cash, cash equivalents and short-term investments:						
6.01 Cash (Schedule E, Part 1) .....	73,203,128	98.652	73,203,128		73,203,128	98.652
6.02 Cash equivalents (Schedule E, Part 2) .....	100,000	0.135	100,000		100,000	0.135
6.03 Short-term investments (Schedule DA) .....	0	0.000	0		0	0.000
6.04 Total cash, cash equivalents and short-term investments .....	73,303,128	98.787	73,303,128	0	73,303,128	98.787
7. Contract loans .....	0	0.000	0		0	0.000
8. Derivatives (Schedule DB) .....	0	0.000	0		0	0.000
9. Other invested assets (Schedule BA) .....	0	0.000	0		0	0.000
10. Receivables for securities .....	200,000	0.270	200,000		200,000	0.270
11. Securities Lending (Schedule DL, Part 1) .....	0	0.000	0	XXX	XXX	XXX
12. Other invested assets (Page 2, Line 11) .....	0	0.000	0		0	0.000
13. Total invested assets	74,203,128	100.000	74,203,128	0	74,203,128	100.000



**OTHER ATTACHMENT**

To the Board of Directors and Audit Committee of  
Peoples Health, Inc.

We have audited, in accordance with auditing standards generally accepted in the United States of America, the statutory basis financial statements of Peoples Health, Inc. (the Company) for the years ended December 31, 2021 and 2020 and have issued our report thereon dated April 26, 2022. In connection therewith, we advise you as follows:

- a. We are independent certified public accountants with respect to the Company and conform to the standards of the accounting profession as contained in the Code of Professional Conduct and pronouncements of the American Institute of Certified Public Accountants and the Rules of Professional Conduct of the Wisconsin Department of Safety and Professional Services.
- b. The engagement partner and engagement senior manager, who are certified public accountants, have 18 years and 14 years, respectively, of experience in public accounting and are experienced in auditing insurance entities. Members of the engagement team, most of whom have had experience in auditing insurance entities and 80 percent of whom are certified public accountants, were assigned to perform tasks commensurate with their training and experience.
- c. We understand that the Company intends to file its audited statutory basis financial statements and our report thereon with the Louisiana Department of Insurance (the Department) and other state insurance departments in states in which the Company is licensed and that the insurance commissioners of those states will be relying on that information in monitoring and regulating the statutory basis financial condition of the Company.

Although we understand that an objective of issuing a report on the statutory basis financial statements is to satisfy regulatory requirements, our audit was not planned to satisfy all objectives or responsibilities of insurance regulators. In this context, the Company and the insurance commissioners should understand that the objective of an audit of statutory basis financial statements in accordance with auditing standards generally accepted in the United States of America is to form an opinion and issue a report on whether the statutory basis financial statements present fairly, in all material respects, the admitted assets, liabilities, and capital and surplus as well as the results of operations and cash flow in conformity with accounting practices prescribed or permitted by the Department. Consequently, under auditing standards generally accepted in the United States of America, we have the responsibility, within the inherent limitations of the auditing process, to plan and perform our audit to obtain reasonable assurance about whether the statutory basis financial statements are free of material misstatement, whether caused by error or fraud, and to exercise due professional care in the conduct of the audit. The concept of selective testing of the data being audited, which involves judgment both as to the number of transactions to be audited and the areas to be tested, has been generally accepted as a valid and sufficient basis for an auditor to express an opinion on statutory basis financial statements. Audit procedures that are effective for detecting errors, if they exist, may be ineffective for detecting misstatement resulting from fraud. Because of the characteristics of fraud, a properly planned and performed audit may not detect a material misstatement resulting from fraud. In addition, an audit does not address the possibility that material misstatements caused by error or fraud may occur in the future. Also, our use of professional judgment and the assessment of materiality for the purpose of our audit means that matters may exist that would be assessed differently by insurance commissioners.

It is the responsibility of the management of the Company to adopt sound accounting policies, to maintain an adequate and effective system of accounts and to establish and maintain an internal control that will, among other things, provide reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of statutory basis financial statements in conformity with accounting practices prescribed or permitted by the Department.

The insurance commissioner should exercise due diligence to obtain whatever other information may be necessary for the purpose of monitoring and regulating the statutory basis financial position of insurers and should not rely solely upon the independent auditors' report.

- d. We will retain audit working papers (including those kept in a hard copy or electronic medium) prepared in compliance with professional standards, for seven years from the date that we grant permission to use our report in connection with the issuance of the Company's statutory basis financial statements (report release date). After notification to the Company, we will make the audit working papers available for review by the Department or its delegates, at the offices of the insurer, at our offices, at the Department, or at any other reasonable place designated by the insurance commissioner. Furthermore, in the conduct of the aforementioned periodic review by the Department, photocopies of pertinent audit working papers may be made (under the control of Baker Tilly US, LLP) and such copies may be retained by the Department. In addition, to the extent requested, we may provide the Department with copies of certain of our audit working papers (such as unlocked electronic copies of Excel spreadsheets that do not contain password protection or encryption). As such, these audit working papers will be subject to potential modification by the Department or by others. We are not responsible for any modifications made to the copies, electronic or otherwise, after they are provided to the Department and we are likewise not responsible for any effect that any such modifications, whether intentional or not, might have on the process, substance or outcome of your regulatory examination.
- e. The engagement partner has served in that capacity with respect to the Company since 2018, is licensed by the Wisconsin Department of Safety and Professional Services and is a member in good standing of the American Institute of Certified Public Accountants.
- f. To the best of our knowledge and belief, we are in compliance with the requirements of section 7 of the NAIC Annual Financial Reporting Model Regulation Model Rule (Regulation) Requiring Annual Audited Financial Reports regarding qualifications of independent certified public accountants and are not subject to disqualification due to entering into the indemnification agreement with the Company.

This letter is intended solely for the information and use of the Board of Directors, the Audit Committee, management of the Company, the Louisiana Department of Insurance and other state insurance departments to whose jurisdiction the Company is subject and is not intended to be and should not be used by anyone other than these specified parties.

*Baker Tilly US, LLP*

Milwaukee, Wisconsin  
April 26, 2022