BEFORE ALLAN L. MCVEY, INSURANCE COMMISSIONER
OF THE STATE OF WEST VIRGINIA

In the Matter of:

HIGHMARK WEST VIRGINIA INC.
DBA HIGHMARK BLUE CROSS BLUE SHIELD WEST VIRGINIA (NAIC #54828)

AND

HIGHMARK SENIOR SOLUTIONS COMPANY (NAIC #15459)

AND

HIGHMARK HEALTH OPTIONS WEST VIRGINIA INC. (NAIC #15020)
FORMALLY WEST VIRGINIA FAMILY HEALTH PLAN, INC.

ADMINISTRATIVE PROCEEDING NO. 23-IC-02237

ORDER ADOPTING REPORT OF FINANCIAL EXAMINATION

NOW COMES, Allan L. McVey, Insurance Commissioner of the State of West Virginia (hereinafter, "Commissioner"), who, after consideration of the Report of Financial Examination (hereinafter, the "Examination Report") of Highmark West Virginia Inc. dba Highmark Blue Cross Blue Shield West Virginia (hereinafter, "HMWV") and Highmark Senior Solutions Company (hereinafter, "HSSC") and Highmark Health Options West Virginia Inc. (formally West Virginia Family Health Plan, Inc.) (hereinafter, "HMHO") (hereinafter, referred to as "Company" or collectively as "Companies"), as of December 31, 2021, made the following findings of fact, conclusions of law and order.

FINDINGS OF FACT

1. HMWV was originally incorporated as a non-profit health service corporation in the State of West Virginia on November 18, 1982, under the name Blue Cross and Blue Shield of West

Central West Virginia. HMWV acquired certain assets pursuant to the liquidation of Blue Cross Blue Shield of West Virginia, which was placed into liquidation by the Commissioner on October 26, 1990. At that time, the name of HMWV was changed to Mountain State Blue Cross Blue Shield, Inc. The Company is authorized to transact business as a non-profit health service corporation under the provisions of Article 24 of Chapter 33 of the *West Virginia Code.*

2. HSSC was incorporated in 2013 as a non-profit corporation and operates as a professional health services plan in the State of West Virginia. HSSC, as a licensee of the Blue Cross Blue Shield Association provides individual and group hospitalization, medical coverage and prescription drug coverage for Medicare beneficiaries under a Medicare Advantage contract with the Center for Medicare & Medicaid Services. HSSC commenced operations on January 1, 2015. The Company is authorized to transact business as a non-profit health service corporation under the provisions of Article 24 of Chapter 33 of the *West Virginia Code.*

HMWV, a professional health service plan domiciled in West Virginia, is HSSC's sole corporate member. Highmark Health, a Pennsylvania nonprofit corporation and a tax-exempt organization under Section 501(c) (3) of the International Revenue Code, is HSSC's ultimate controlling person and the ultimate parent company of HMWV.

3. HMHO was incorporated in 2011 and operates as a for-profit managed care organization in the State of West Virginia. HMHO provides medical, behavioral health, dental, vision and prescription drug benefit coverage for Medicaid beneficiaries in West Virginia under a contract with the Bureau of Medical Services. The Company is authorized to transact business as a non-profit health maintenance organization under the provisions of Article 25A of Chapter 33 of the *West Virginia Code.*

4. Effective December 20, 2019, HMWV bought out the remaining minority owners

and acquired 100% of WVFHP. Highmark Inc. is the sole member of HMWV and thereby is HMHO's ultimate controlling entity.

5. An examination of the financial condition and operational affairs of the Companies covers the 5-year period from January 1, 2017, through December 31, 2021, and was conducted in accordance with *West Virginia Code* §33-2-9(c) by the Insurance Commissioner.

4. On May 31, 2023, the examiner filed a Report of Financial Examination with the Insurance Commissioner pursuant to *West Virginia Code* §33-2-9(j)(2). A copy of the Report of Financial Examination is attached hereto as Exhibit A and incorporated herein as if set forth in full.

5. On or about June 12, 2023, a true and accurate copies of the Report of Financial Examination was sent to James Love Fawcett, Jr., President of Highmark West Virginia Inc. and Highmark Senior Solutions Company, and to Jason Dean Landers, President of Highmark Health Options West Virginia Inc. Copies of the letters dated June 12, 2023, are attached hereto as Exhibit B.

6. Pursuant to *West Virginia Code* §33-2-9(j)(2), the Companies, by letters dated June 12, 2023, Exhibit B, was notified and afforded a period of ten (10) days, after receipt of the Report of Financial Examination, to make a submission, rebuttal, or objection concerning any matter contained in the Report.

7. By letters dated June 16, 2023, James L. Fawcett acknowledged that he had reviewed and accepted the Report of Financial Examination and did not materially dispute the findings of the examination. By letter dated June 19, 2023, Jason D. Landers acknowledged that he had reviewed and accepted the Report of Financial Examination and dis not materially dispute the findings of the examination. Copies of the Companies' letters of June 16 and June 19, 2023, are attached hereto as Exhibit C.

CONCLUSIONS OF LAW

1. The Insurance Commissioner is charged with the duty of administering and enforcing the provisions of Chapter 33, of the West Virginia Code of 1931, as amended.

2. The Companies were organized pursuant to the provisions of Article 24 and Article 25A, Chapter 33 of the *West Virginia Code.*

3. *West Virginia Code* § 33-2-9(j)(2) provides that no later than sixty (60) days following completion of the examination, the examiner in charge shall file with the Insurance Commissioner a verified, written Report of Financial Examination under oath, and, upon receipt of the verified report, the Insurance Commissioner shall transmit the Report of Financial Examination to the Companies with a notice that shall afford the Companies a reasonable opportunity, of not more than thirty (30) days, to make a written submission or rebuttal.

4. *West Virginia Code* § 33-2-9(j)(3) provides that within thirty (30) days of the end of the period allowed for the receipt of written submissions or rebuttals the Insurance Commissioner shall fully consider and review the Report of Financial Examination, together with any written submissions or rebuttals, and shall enter an ORDER adopting the Report of Financial Examination as filed, or with modifications or corrections, enter an ORDER rejecting the Report of Financial Examination with directions to the examiners to reopen the examination or call for an investigatory hearing.

ORDER

It is therefore **ORDERED** as follows:

1. The Report of the Financial Examination of the Companies, attached hereto as Exhibit A, is hereby **ADOPTED** and **APPROVED** by the Insurance Commissioner.

2. A copy of this *Order Adopting Report of Financial Examination* and the Report of

Financial Examination shall be mailed to the Companies via certified mail, return receipt requested, upon entry by the Insurance Commissioner.

3. The Companies shall file with the Insurance Commissioner, within thirty (30) days of the issuance of this Order, affidavits executed by each of its directors stating under oath that they have received a copy of the Report of Financial Examination and a copy of this *Order Adopting Report of Financial Examination* in accordance with *West Virginia Code* § 33-2-9(j)(4).

4. The Companies shall take whatever actions are required to comply with the recommendations set forth in the Report of Financial Examination, if any, and shall demonstrate compliance to the satisfaction of the Insurance Commissioner, if necessary.

5. Inasmuch as orders entered by the Insurance Commissioner are subject to judicial review in the Intermediate Court of Appeals as set forth in W.Va. Code § 51-11-4(b)(4), any person aggrieved by this order may, within 30 days after the of entry of the judgment being appealed, file an appeal as set forth in W.Va. Code § 33-2-14 and W. Va. R.A.P., Rule 5(b).

Entered this 26th day of June 2023.

Allan L. McVey

Allan L. McVey
CPCU, ARM, AAI, AAM, AIS
West Virginia Insurance Commissioner

REPORT OF EXAMINATION

OF

HIGHMARK WEST VIRGINIA INC.
D/B/A HIGHMARK BLUE CROSS BLUE SHIELD WEST VIRGINIA

AND

HIGHMARK SENIOR SOLUTIONS COMPANY

AND

WEST VIRGINIA FAMILY HEALTH PLAN, INC.

PARKERSBURG, WEST VIRGINIA

NAIC COMPANY CODES: 54828, 15459 & 15020
NAIC GROUP CODE: 00812

AS OF DECEMBER 31, 2021

West Virginia Offices of the Insurance Commissioner

TABLE OF CONTENTS

SALUTATION 3
SCOPE OF EXAMINATION 4
SUMMARY OF SIGNIFICANT FINDINGS 6
HISTORY 6
MANAGEMENT AND CONTROL 10
ORGANIZATIONAL CHART 15
AGREEMENTS 15
TERRITORY AND PLAN OF OPERATION 16
REINSURANCE 17
FINANCIAL STATEMENTS 19
SUMMARY OF EXAMINATION CHANGES 32
SUBSEQUENT EVENTS 32
SUMMARY OF EXAMINATION RECOMMENDATIONS 33
ACKNOWLEDGEMENT AND SIGNATURE 34

SALUTATION

May 31, 2023

Charleston, West Virginia

The Honorable Allan L. McVey

West Virginia Insurance Commissioner

900 Pennsylvania Ave.

Charleston, West Virginia 25302

Pursuant to the authority vested in the West Virginia Offices of the Insurance Commissioner ("WVOIC"), as well as rules, regulations and procedures promulgated by the National Association of Insurance Commissioners ("NAIC"), an examination has been made of the administrative affairs, books, records, and financial condition of:

Highmark West Virginia Inc.

d/b/a Highmark Blue Cross Blue Shield West Virginia

and

Highmark Senior Solutions Company

and

West Virginia Family Health Plan, Inc.

120 Fifth Avenue

Pittsburgh, Pennsylvania 15222

hereinafter referred to as the "Companies" or "HMWV", "HSSC", and "WVFHP". The following Report of Examination is respectfully submitted.

SCOPE OF EXAMINATION

The examiners have performed a financial examination of the Companies. The last examination covered the 5-year period from January 1, 2012, through December 31, 2016. This examination commenced on February 3, 2022, pursuant to W.Va. Code §33-2-9, as amended, and covers the 5-year period from January 1, 2017, through December 31, 2021. This examination was conducted as a component of a coordinated financial examination of the Highmark Insurance Group (the "Group") with the state of Pennsylvania serving as the lead state. This coordinated examination included participation by representatives from the states of Pennsylvania, Arizona, Delaware, Maryland, Michigan, New York, Ohio, Texas and West Virginia.

As part of the coordinated examination, the lead state contracted Johnson Lambert LLP ("JL") to conduct a multi-state, full scope, coordinated examination over the Group. In conjunction to the lead state, representatives of JL conducted the examination of HMWV, HSSC, and WVFHP on behalf of the WVOIC under the authority delegated to them by the Commissioner.

For examination efficiency, the Group was separated by the Lead State of Pennsylvania into the following four (4) Subgroups: Highmark Health Subgroup (HMH Subgroup), UCCI Subgroup, HMIG Subgroup, and Gateway Subgroup. Concurrent and coordinated financial examinations were conducted for each of the subgroups by the Lead State in coordination with the participating states of Arizona, Delaware, Maryland, Michigan, New York, Ohio, Texas and West Virginia. This examination of the Companies was conducted concurrently as part of the HMH Subgroup examination with the Pennsylvania and Delaware domestic entities.

The fourteen (14) insurance company legal entities in the HMH Subgroup are as follows:

Insurer	State of Domicile	NAIC #
Highmark, Inc.	PA	54771
Highmark Select Resources, Inc.	PA	10131
Highmark Senior Health Company	PA	15460
Highmark Coverage Advantage, Inc.	PA	15507
Highmark Benefits Group Inc.	PA	15508

First Priority Life Insurance Company, Inc.	PA	60147
HM Health Insurance Company	PA	71768
Highmark Choice Company	PA	95048
HMO of Northeastern Pennsylvania, Inc.	PA	96601
Highmark BCBSD Inc.	DE	53287
Highmark Western and Northeastern New York	NY	55204
Highmark Senior Solutions Company	WV	15459
West Virginia Family Health Plan, Inc.	WV	15020
Highmark West Virginia Inc.	WV	54828

To the fullest extent, the efforts, resources, project material and findings were coordinated and made available to all examination participants.

The purpose of this examination is to assess the financial condition of the Companies and set forth findings of fact (together with citations of pertinent laws, regulations and rules) with regard to any material adverse findings disclosed by the examination.

The general procedures of the examination followed rules and standards as set forth in the NAIC Financial Condition Examiners Handbook ("Handbook") and West Virginia Laws, Regulations, and Directives of the WVOIC. The examination was conducted to evaluate the financial condition and identify prospective risks of the Companies by obtaining information about the Companies including corporate governance, identifying and assessing inherent risk within the Companies and evaluating system controls and procedures used to mitigate those risks. In addition, the principles utilized and significant estimates made by management, as well as evaluating the overall financial statement presentation, management's compliance with Statements of Statutory Accounting Principles ("SSAP") and annual statement instructions were assessed.

All accounts and activities of the Companies were considered in accordance with the risk-focused examination process. This may include assessing significant estimates made by management and evaluating management's compliance with Statutory Accounting Principles. The examination does not attest to the fair presentation of the financial statements included herein. If, during the course of the examination, an adjustment is identified, the impact of such adjustment will be documented separately following the Company's financial statements.

The report is presented on an exception basis. It is designed to set forth the facts with regard to any material adverse findings disclosed during the examination. If necessary, comments and recommendations have been made in those areas in need of correction or improvement. In such cases, these matters were discussed with responsible Company officials during the course of the examination.

SUMMARY OF SIGNIFICANT FINDINGS

No exam findings were noted as a result of the current examination period and review of subsequent events.

HISTORY

HMWV

HMWV was originally incorporated as a non-profit health service corporation in the State of West Virginia on November 18, 1982, under the name Blue Cross and Blue Shield of West Central West Virginia. HMWV acquired certain assets pursuant to the liquidation of Blue Cross Blue Shield of West Virginia, which was placed into liquidation by the Office on October 26, 1990. At that time, the name of HMWV was changed to Mountain State Blue Cross Blue Shield, Inc.

On September 25, 1990, HMWV entered into an affiliation agreement with Blue Cross and Blue Shield Mutual of Ohio ("BCBSMO"). In 1991, a subsidiary of BCBSMO, Mutual Management Company (subsequently known as Antares Management Solutions – "AMS"), provided $5,000,000 of capital to HMWV in the form of a surplus note. In 1992, AMS contributed an additional $5,000,000 to HMWV through the issuance of another surplus note.

During 1997, HMWV terminated its affiliation with BCBSMO. Subsequently, effective April 30, 1999, HMWV began an affiliation with Highmark Inc. through the terms of a Surplus Note Agreement. Under the terms of the Surplus Note Agreement, Highmark Inc. provided a surplus note to HMWV in an aggregate principal amount not to exceed $10,000,000. These proceeds were used to retire the AMS surplus notes. Under the terms of the Surplus Note Agreement, Highmark Inc. was granted the authority to appoint and control 50% of HMWV's Board of Directors and become the primary Blue Cross Blue Shield Association licensee in the State of West Virginia.

On March 4, 2002, HMWV's Board of Directors unanimously passed a resolution stating that it had determined it to be the best interest of HMWV to develop a closer corporate relationship with Highmark Inc. and agreed to the terms and conditions of a proposed closer relationship to be evidenced by a formal agreement. The agreement was approved by the Office on December 31, 2003.

During 2004, HMWV changed its name to Highmark West Virginia, Inc., d/b/a Mountain State Blue Cross Blue Shield. HMWV filed its fourth amended and restated bylaws indicating the change of name in May 2005.

In December 2010, HMWV changed its d/b/a name to Highmark Blue Cross Blue Shield West Virginia.

In December 2012, HMWV acquired an interest in WVFHP, a Provider Sponsored Network ("PSN"), to serve Medicaid enrollees in the State of West Virginia. WVFHP's license was subsequently converted from PSN to a Health Maintenance Organization ("HMO"). As of December 31, 2016, HMWV held a 43% interest in WVFHP. During June and July 2017, HMWV exercised its warrants to purchase additional shares of WVFHP and become the majority shareholder with control of the WVFHP Board of Directors.

During 2013, HMWV created HSSC, a wholly owned subsidiary, to service Medicare enrollees in the State of West Virginia. HSSC is 100% owned by HMWV and commenced operations on

January 1, 2015. HSSC cedes a 50% share of the liability for insured business to HMWV through a 50% quota share reinsurance agreement. HSSC cedes the remaining 50% to HM Health Insurance Company d/b/a Highmark Health Insurance Company ("HHIC") through a 50% quota share reinsurance agreement.

On April 1, 2017, Parker Benefits, Inc. ("Parker"), a wholly owned subsidiary of HMWV which previously provided third-party administrative services, merged with and into HMWV with HMWV remaining as the surviving entity.

On June 15, 2018, WVOIC approved the conversion of the $25.5 million surplus note issued by WVFHP to HMWV, including accrued interest of $6.9 million, into Class A common stock of WVFHP.

HSSC

HSSC was incorporated in 2013 as a non-profit corporation and operates as a professional health services plan in the State of West Virginia. HSSC, as a licensee of the Blue Cross Blue Shield Association ("BCBSA"), provides individual and group hospitalization, medical coverage and prescriptions drug coverage for Medicare beneficiaries under a Medicare Advantage contract with the Center for Medicare & Medicaid Services ("CMS"). HSSC commenced operations on January 1, 2015. For the year ended December 31, 2016, 99% of the Company's premiums written were derived from the CMS contract.

HMWV, a professional health service plan domiciled in West Virginia, is HSSC's sole corporate member. Highmark Health, a Pennsylvania nonprofit corporation and a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, is HSSC's ultimate controlling person and the ultimate parent company of HMWV.

On January 1, 2015, A Novation for Change of Ownership of a Medicare Advantage Line of Business ("Novation Agreement") among HSSC, HHIC and CMS became effective. Under the Novation Agreement, CMS approved the transfer of a Medicare Advantage contract from HHIC to HSSC, and HSSC assumed from HHIC all rights, privileges and responsibilities, as well as liabilities of the contract between HHIC and CMS to become a Medicare Advantage plan sponsor.

WVFHP

WVFHP was incorporated in 2011 and operates as a for-profit managed care organization in the State of West Virginia. WVFHP provides medical, behavioral health, dental, vision and prescription drug benefit coverage for Medicaid beneficiaries in West Virginia under a contract with the Bureau of Medical Services ("BMS"). WVFHP was initially licensed as a PSN and subsequently converted from a PSN to a HMO.

During 2016, WVFHP was owned by 22 federally qualified health centers, two primary care clinics, two hospitals and a trade association, which collectively owned 57% of the stock of WVFHP. At that time, HMWV held a 43% interest in WVFHP.

During June and July 2017, HMWV exercised a warrant to purchase an additional 85,000 shares of voting stock in the Company. HMWV's ownership increased to 60% with a majority control of the WVFHP Board of Directors. The remaining 40% of voting stock was collectively owned by 22 federally qualified health centers, two primary care clinics, two hospitals and a trade association.

Effective July 1, 2017, WVFHP no longer administered prescription drug benefits.

On June 15, 2018, WVOIC approved the conversion of the $25.5 million surplus note issued by WVFHP to HMWV, including accrued interest of $6.9 million, into Class A common stock of WVFHP. As of December 31, 2018, HMWV owned 82.88% of the outstanding stock of WVFHP, of which 57.19% was in the form of common stock and 25.69% was in the form of preferred stock. The remaining 17.12% of voting stock was collectively owned by 22 federally qualified health centers, two primary care clinics, two hospitals and a trade association.

Effective June 30, 2019, the contract with BMS expired and was not renewed. All WVFHP premiums for the years ending December 31, 2020, and 2019 were derived from the contract with BMS. All revenue reported in 2020 was related to runout activity due to the expiration of the contract.

On July 1, 2019, WVFHP did not renew their Medicaid contract and effectively entered runoff. Effective December 20, 2019, HMWV bought out the remaining minority owners and acquired 100% of WVFHP. Highmark Inc. is the sole member of HMWV and thereby is WVFHP's ultimate controlling entity.

MANAGEMENT AND CONTROL

HMWV Board of Directors

According to HMWV's amended and restated bylaws, the number of Directors that shall constitute a full Board of Directors shall be ten (10). The Directors are elected on an annual basis and may serve an unlimited number of terms. Highmark Inc. is the sole member of HMWV and thereby has the right to elect 100% of HMWV's Board of Directors. HMWV's bylaws are in compliance with W. Va. Code §31E-1-1 et seq. The individuals serving as members of the Board of Directors on December 31, 2021, were as follows:

Name	Title
Mary Elizabeth Anderson	Board Member
Lawrence Brent Boggs	Board Member
Thomas Anthony Doran	Board Member
John Frederick Earley, II	Board Member
James Love Fawcett, Jr.	President & Board Member
Diana Lewis Jackson	Independent Director
Stephanie Madia Mobley	Board Member
Donald Frederick Mock, III	Board Member
Judith Wilena Sjostedt	Chairperson of Board
Michael George Warfel	Board Member

HMWV Officers

Pursuant to the HMWV's amended and restated bylaws, the officers of HMWV shall consist of at least a President, a Treasurer, and a Secretary. The members may elect a Chairperson of the Board of Directors who shall be a member of the Board of Directors but shall not be an officer of HMWV.

The following officers were appointed by the Board of Directors at the April 26, 2021, meeting and were serving as of December 31, 2021:

Name	Title
James Love Fawcett, Jr	President
Donald Hays Dabkowski	Treasurer
Edward August Bittner, Jr	Secretary

HMWV Committees

HMWV's amended bylaws establish three Standing Committees – an Audit and Compliance Committee, an Executive Committee, and a Nominating Committee.

As of December 31, 2021, members serving on the Committees of HMWV's Board were as follows:

<u>Audit and Compliance Committee</u>
Jeffrey S. Bernhard
John Frederick Earley, II
Judith Wilena Sjostedt

<u>Nominating Committee</u>
Lawrence Brent Boggs
David L. Campbell
Judith Wilena Sjostedt

<u>Executive Committee</u>
Lawrence Brent Boggs
John Frederick Earley, II
Judith Wilena Sjostedt

HSSC Board of Directors

According to HSSC's amended and restated bylaws, the number of Directors that shall constitute a full Board of Directors shall be ten (10). The Directors are elected on an annual basis and may serve an unlimited number of terms. HSSC's bylaws are in compliance with W. Va. Code §31E-1-1 et seq. The individuals serving as members of the Board of Directors on December 31, 2021, were as follows:

Name	Title
Mary Elizabeth Anderson	Board Member
Lawrence Brent Boggs	Board Member
Thomas Anthony Doran	Board Member
John Frederick Earley, II	Board Member
James Love Fawcett, Jr.	President & Board Member
Diana Lewis Jackson	Independent Director
Stephanie Madia Mobley	Board Member
Donald Frederick Mock, III	Board Member
Judith Wilena Sjostedt	Chairperson of Board
Michael George Warfel	Board Member

HSSC Officers

Pursuant to HSSC's amended and restated bylaws, the officers of HSSC shall consist of at least a President, a Treasurer, and a Secretary. The members may elect a Chairperson of the Board of Directors who shall be a member of the Board of Directors but shall not be an officer of HSSC.

Officers elected at the April 26, 2021, Board of Directors Meeting and serving as of December 31, 2021, were as follows:

Name	Title
James Love Fawcett, Jr	President
Donald Hays Dabkowski	Treasurer
Edward August Bittner, Jr	Secretary

HSSC Committees

HSSC's amended bylaws establish three Standing Committees – an Audit and Compliance Committee, an Executive Committee, and a Nominating Committee.

As of December 31, 2021, members serving on the Committees of HSSC's Board were as follows:

Audit and Compliance Committee
Jeffrey S. Bernhard
John Frederick Earley, II
Judith Wilena Sjostedt

Nominating Committee
Lawrence Brent Boggs
David L. Campbell
Judith Wilena Sjostedt

Executive Committee
Jeffrey S. Bernhard
John Frederick Earley, II
Judith Wilena Sjostedt

WVFHP Board of Directors

The corporate powers of WVFHP are vested in the Board of Directors consisting of three (3) members in compliance with amended and restated bylaws. WVFHP's bylaws are in compliance with W. Va. Code §31D-1-1 et seq. The individuals serving as members of the Board of Directors on December 31, 2021, were as follows:

Name	Title
James Love Fawcett, Jr.	Board Member
Jacques James Knez	President & Board Member
Michael George Warfel	Board Member

WVFHP Officers

Pursuant to WVFHP's amended and restated bylaws, the officers of WVFHP shall consist of at least a President, a Treasurer, and a Secretary.

The following officers were appointed by the Board of Directors at the April 26, 2021, meeting and were serving as of December 31, 2021:

Name	Title
Jacques James Knez	President
John Timothy McKenna	Treasurer
Edward August Bittner, Jr	Secretary

WVFHP Committees

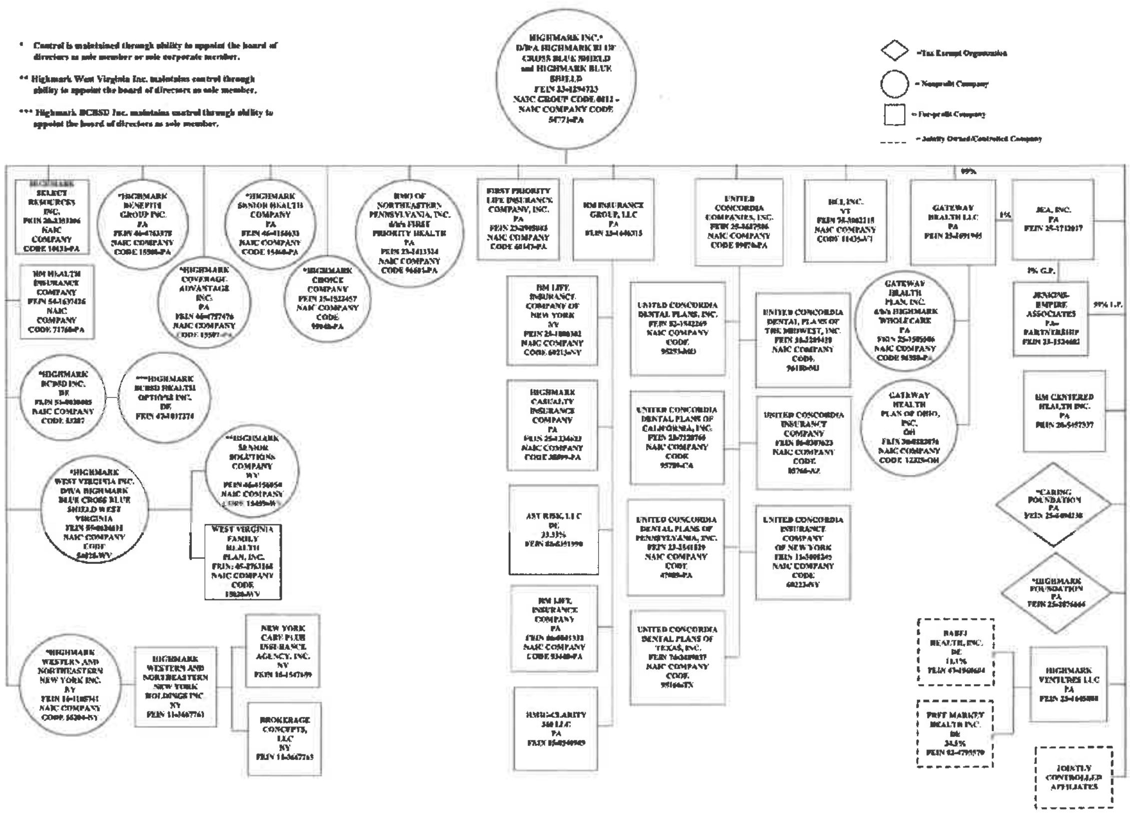
WVFHP's amended bylaws establish two Standing Committees – an Audit and Compliance Committee and a Nominating Committee. HMWV Committees were appointed to review the Company, following HMWV's acquisition of the Company's remaining voting stock.

As of December 31, 2021, members serving on the HMWV Committees, on behalf of the Company's Board, were as follows:

Audit and Compliance Committee	Nominating Committee
Jeffrey S. Bernhard	Lawrence Brent Boggs
John Frederick Earley, II	David L. Campbell
Judith Wilena Sjostedt	Judith Wilena Sjostedt

ORGANIZATIONAL CHART

The Companies are members of an insurance holding company system. The following is an abbreviated organizational chart as of December 31, 2021:



AGREEMENTS

As of December 31, 2021, the Companies had the following agreements in force:

Management Services Agreement – HMWV is party to a management services agreement with HSSC and a management services agreement with WVFHP, pursuant to which HMWV provides management and administration services to HSSC and WVFHP.

Administrative Services Agreement – HMWV, HSSC, and WVFHP are each party to an administrative services and Network Access Agreement with United Concordia Companies, Inc., a subsidiary of Highmark Inc., which provides claims processing and customer service functions for dental insurance policies on behalf of the Companies.

Administrative Services Agreement – HMWV is party to an administrative services agreement with Highmark, Inc. whereby Highmark, Inc. provides certain administrative and corporate services to HMWV.

TERRITORY AND PLAN OF OPERATION

HMWV

HMWV was formed under the provisions of Article 24, Chapter 33, Code of West Virginia, which provides for the establishment of non-profit, non-stock hospital service, medical service, dental service and/or health service corporations. As such a corporation, HMWV is exempt from the payment of taxes and from the provisions of the general insurance laws of West Virginia, except those specifically addressing such a corporation.

HMWV conducts business throughout West Virginia as a licensee of the Blue Cross Blue Shield Association. HMWV underwrites various indemnity and managed care health insurance products as well as Medicare supplemental, vision and stop loss insurance products. HMWV began writing health services in the State in 1982.

The following depicts HMWV's line of business by percentage of total net premium income for the last year under examination:

Line of Business	Direct and Assumed Premium	Ceded Premium	Net Premium Income	Percentage of Total
December 31, 2021				
Comprehensive (hospital and medical)	$ 640,547,677	$ 111,919	$ 640,435,758	54.3%
Medicare supplement	19,392,709	-	19,392,709	1.6%
Dental only	3,735,290	-	3,735,290	0.3%
Vision only	2,565,436	-	2,565,436	0.2%
Federal employees health benefits plans	458,110,347	-	458,110,347	38.9%
Title XVIII Medicare	37,066,722	-	37,066,722	3.1%
Other Health	17,810,349	7,515	17,802,834	1.5%
Total	$ 1,179,288,530	$ 119,434	$ 1,179,109,096	100.0%

HSSC

As of December 31, 2021, HSSC writes individual and group hospitalization, medical, and prescription drug coverage as a licensee of the Blue Cross Blue Shield Association in the state of West Virginia. HSSC is licensed as a non-profit corporation and provides coverage in all fifty-five (55) counties to Medicare enrollees. HSSC began writing health care coverage in West Virginia in 2015.

The following depicts HSSC's line of business by percentage of total net premium income for the last year under examination:

Line of Business	Direct and Assumed Premium	Ceded Premium	Net Premium Income
December 31, 2021			
Title XVIII Medicare	74,138,798	74,138,798	-
Other Health	497,403	497,403	-
Total	$ 74,636,201	$ 74,636,201	$ -

WVFHP

WVFHP began writing Medicaid managed care in West Virginia in 2014. On April 4, 2019, WVFHP announced its intention to not renew its Medicaid managed care license. As of December 31, 2021, WVFHP was in runoff in West Virginia.

REINSURANCE

Assumed

As of December 31, 2021, HMWV was party to the following assumed reinsurance agreements:

Highmark Senior Solutions Company

HMWV assumes a 50% share of the liability for the insured business of HSSC through a 50% quota share reinsurance contract. HSSC cedes the remaining 50% share of the liability for insured business to Highmark Health Insurance Company through a 50% quota share reinsurance contract. In addition, the agreements provide for special termination rights, whereby a party may terminate upon 30 days prior written notice if either party commits a material breach of any obligation under the agreement that remains uncured for 30 days, or there is a change in control of either party, unless the acquirer is an affiliate. This agreement was amended in 2022, as summarized in Subsequent Events.

As of December 31, 2021, HSSC had no assumed reinsurance.

As of December 31, 2021, WVFHP had no assumed reinsurance.

Ceded

As of December 31, 2021, HMWV was party to the following ceded reinsurance agreement:

Renaissance Reinsurance U.S. Inc.

HMWV cedes losses in excess of $5.0 million per covered person, per contract year on the Company's Medicare Advantage products. HMWV entered into the two-year excess of loss reinsurance contract as of January 1, 2019. The contract was not renewed upon expiration.

As of December 31, 2021, HSSC was party to the following ceded reinsurance agreements:

Highmark West Virginia Inc. d/b/a Highmark Blue Cross Blue Shield West Virginia
Highmark Health Insurance Company

HSSC cedes a 50% share of the liability for the insured business to HMWV through a 50% quota share reinsurance contract. HSSC cedes the remaining 50% share of the liability for insured business to HHIC through a 50% quota share reinsurance contract. The agreements generally permit either party to terminate by giving no less than 60 days' written notice at any time during the initial or subsequent terms of the agreements. In addition, the agreements provide for special termination rights, whereby a party may terminate upon 30 days prior written notice if either party commits a material breach of any obligation under the agreement that remains uncured for 30 days, or there is a change in control of either party, unless the acquirer is an affiliate. This agreement was amended in 2022, as summarized in Subsequent Events.

As of December 31, 2021, WVFHP had no ceded reinsurance.

FINANCIAL STATEMENTS

The following financial statements are based on the statutory financial statements filed by the Company with the WVOIC and present the financial condition of the Companies for the period ending December 31, 2021. The accompanying comments on financial statements reflect any examination adjustments to the amounts reported in the annual statement and should be considered an integral part of the financial statements.

HIGHMARK WEST VIRGINIA INC.

STATEMENT OF ASSETS

DECEMBER 31, 2021

	Per Annual Statement	Statutory Examination Adjustments	Per Statutory Examination
Bonds	$ 741,928,323	$ -	$ 741,928,323
Common stocks	134,904,562	-	134,904,562
Properties occupied by the company	15,706,899	-	15,706,899
Cash and short-term investments	49,601,535	-	49,601,535
Other invested assets	2,803,709	-	2,803,709
Securities lending reinvested collateral assets	77,322,001	-	77,322,001
Cash and invested assets	$ 1,022,267,029	$ -	$ 1,022,267,029
Investment income due and accrued	4,094,308	-	4,094,308
Uncollected premiums	98,176,580	-	98,176,580
Accrued retrospective premiums and contracts subject to redetermination	2,546,525	-	2,546,525
Funds held by reinsurers	967,360	-	967,360
Amounts receivable relating to uninsured plans	8,038,092	-	8,038,092
Net deferred tax asset	4,954,312	-	4,954,312
Electronic data processing equipment and software	271,745	-	271,745
Receivables from parent, subsidiaries and affiliates	2,574,998	-	2,574,998
Health care and other amounts receivable	33,992,359	-	33,992,359
		-	
Total assets	$ 1,177,883,308	$ -	$ 1,177,883,308

HIGHMARK WEST VIRGINIA INC.

STATEMENT OF LIABILITIES, CAPITAL AND SURPLUS

DECEMBER 31, 2021

	Per Annual Statement	Statutory Examination Adjustments	Per Statutory Examination
Claims Unpaid	$ 116,753,217	$ -	$ 116,753,217
Accrued medical incentive pool and bonus amounts	3,130,319	-	3,130,319
Unpaid claims adjustment expenses	1,150,620	-	1,150,620
Aggregate health policy reserves	53,836,862	-	53,836,862
Premiums received in advance	20,702,674	-	20,702,674
General expenses due or accrued	39,791,969	-	39,791,969
Current federal and foreign income tax payable	154,982,398	-	154,982,398
Remittance and items not allocated	807,567	-	807,567
Amounts due to parent, subsidiaries and affiliates	13,455,262	-	13,455,262
Payable for securities	172,495	-	172,495
Payable for securities lending	77,322,001	-	77,322,001
Liability for amounts held under uninsured plans	2,801,428	-	2,801,428
Aggregate write-ins for other liabilities	37,150,626	-	37,150,626
Total liabilities	$ 522,057,438	-	$ 522,057,438
Unassigned funds (surplus)	655,825,870	-	655,825,870
Total capital and surplus	$ 655,825,870	-	$ 655,825,870
Total liabilities, capital and surplus	$ 1,177,883,308	$ -	$ 1,177,883,308

HIGHMARK WEST VIRGINIA INC.

STATEMENT OF REVENUE AND EXPENSES

DECEMBER 31, 2021

	Per Annual Statement	Statutory Examination Adjustments	Per Statutory Examination
Member Months	$ 1,840,950	$ -	$ 1,840,950
Net premium income	1,179,109,097	-	1,179,109,097
Change in unearned premium reserves	7,770,982	-	7,770,982
Total revenues	1,186,880,079	-	1,186,880,079
Hospital and Medical:		-	
Hospital/medical benefits	802,977,629	-	802,977,629
Prescription drugs	202,223,872	-	202,223,872
Aggregate write-ins for other hospital and medical	4,562,678	-	4,562,678
Incentive pool, withhold adjustments and bonus amounts	8,189,821	-	8,189,821
Subtotal	1,017,954,000	-	1,017,954,000
Less:		-	
Net reinsurance recoveries	(38,125,802)	-	(38,125,802)
Total hospital and medical	1,056,079,802	-	1,056,079,802
Claims adjustment expenses, including cost containment expenses	24,685,967	-	24,685,967
General administrative expenses	64,023,465	-	64,023,465
Total underwriting deductions	1,144,789,234	-	1,144,789,234
Net underwriting gain or (loss)	42,090,845	-	42,090,845
Net investment income earned	18,778,895	-	18,778,895
Net realized capital gains (losses), less capital gains tax	3,876,283	-	3,876,283
Net investment gains (losses)	22,655,178	-	22,655,178
Aggregate write-ins for other income or expenses	(14,719,018)	-	(14,719,018)
Net income, after capital gains tax and before federal taxes	50,027,005	-	50,027,005
Federal and foreign income taxes incurred	657,121	-	657,121
Net income	$ 49,369,884	$ -	$ 49,369,884

HIGHMARK WEST VIRGINIA INC.

RECONCILIATION OF SURPLUS

DECEMBER 31, 2021

	2021	2020	2019	2018	2017
Capital and surplus prior reporting year	$ 595,886,985	$ 560,697,266	$ 473,265,368	$ 421,870,493	$ 314,164,221
Net income or (loss)	49,369,884	68,308,532	49,963,478	95,010,671	72,347,178
Change in net unrealized capital gains (losses)	11,242,112	6,025,968	16,544,237	5,455,854	(484,152)
Change in net deferred income tax	169,247	5,067,174	7,003,445	(40,446,445)	35,906,667
Change in nonadmitted assets	(842,358)	(44,211,955)	13,920,738	(8,615,205)	(63,421)
Net change in capital and surplus	59,938,885	35,189,719	87,431,898	51,394,875	107,706,272
Capital and surplus end of reporting year	$ 655,825,870	$ 595,886,985	$ 560,697,266	$ 473,265,368	$ 421,870,493

HIGMARK SENIOR SOLUTIONS COMPANY

STATEMENT OF ASSETS

DECEMBER 31, 2021

	Per Annual Statement	Statutory Examination Adjustments	Per Statutory Examination
Bonds	$ 2,404,188	$ -	$ 2,404,188
Cash and short-term investments	348,104	-	348,104
Cash and invested assets	$ 2,752,292	$ -	$ 2,752,292
Investment income due and accrued	15,372	-	15,372
Receivables from parent, subsidiaries and affiliates	1,771,976	-	1,771,976
		-	
Total assets	$ 4,539,640	$ -	$ 4,539,640

HIGHMARK SENIOR SOLUTIONS COMPANY

STATEMENT OF LIABILITIES, CAPITAL AND SURPLUS

DECEMBER 31, 2021

	Per Annual Statement	Statutory Examination Adjustments	Per Statutory Examination
Current federal and foreign income tax payable	$ 24,123	$ -	$ 24,123
Amounts due to parent, subsidiaries and affiliates	1,711,808	-	1,711,808
Total liabilities	$ 1,735,931	-	$ 1,735,931
Gross paid in and contributed surplus	2,500,000	-	2,500,000
Unassigned funds (surplus)	303,709	-	303,709
Total capital and surplus	$ 2,803,709	-	$ 2,803,709
Total liabilities, capital and surplus	$ 4,539,640	$ -	$ 4,539,640

HIGHMARK SENIOR SOLUTIONS COMPANY

STATEMENT OF REVENUE AND EXPENSES

DECEMBER 31, 2021

	Per Annual Statement	Statutory Examination Adjustments	Per Statutory Examination
Member Months	$ 66,922	$ -	$ 66,922
Hospital and Medical:			
Hospital/medical benefits	59,603,195	-	59,603,195
Prescription drugs	5,659,538	-	5,659,538
Incentive pool, withhold adjustments and bonus amounts	971,603	-	971,603
Subtotal	66,234,336	-	66,234,336
Less:			
Net reinsurance recoveries	66,234,336	-	66,234,336
Net investment income earned	33,488	-	33,488
Net investment gains (losses)	33,488	-	33,488
Aggregate write-ins for other income or expenses	81,386	-	81,386
Net income, after capital gains tax and before federal taxes	114,874	-	114,874
Federal and foreign income taxes incurred	24,124	-	24,124
Net income	$ 90,750	$ -	$ 90,750

HIGHMARK SENIOR SOLUTIONS COMPANY

RECONCILIATION OF SURPLUS

DECEMBER 31, 2021

	2021	2020	2019	2018	2017
Capital and surplus prior reporting year	$ 2,712,959	$ 2,611,874	$ 2,513,859	$ 2,174,658	$ 2,304,452
Net income or (loss)	90,750	101,085	98,015	162,970	11,160
Change in net deferred income tax	-	-	-	-	(31,275)
Change in nonadmitted assets	-	-	-	176,231	(109,679)
Net change in capital and surplus	90,750	101,085	98,015	339,201	(129,794)
Capital and surplus end of reporting year	$ 2,803,709	$ 2,712,959	$ 2,611,874	$ 2,513,859	$ 2,174,658

WEST VIRGINIA FAMILY HEALTH PLAN, INC.

STATEMENT OF ASSETS

DECEMBER 31, 2021

	Per Annual Statement	Statutory Examination Adjustments	Per Statutory Examination
Bonds	$ 37,370,131	$ -	$ 37,370,131
Cash and short-term investments	3,551,553	-	3,551,553
Cash and invested assets	$ 40,921,684	$ -	$ 40,921,684
Investment income due and accrued	191,632	-	191,632
Current federal and foreign income tax recoverable	31,082	-	31,082
Net deferred tax asset	242,361	-	242,361
Receivables from parent, subsidiaries and affiliates	97	-	97
Health care and other amounts receivable	14,326	-	14,326
State income tax receivable	19,500	-	19,500
		-	
Total assets	$ 41,420,682	$ -	$ 41,420,682

WEST VIRGINIA FAMILY HEALTH PLAN, INC.

STATEMENT OF LIABILITIES, CAPITAL AND SURPLUS

DECEMBER 31, 2021

	Per Annual Statement	Statutory Examination Adjustments	Per Statutory Examination
Claims Unpaid	$ 11,000	$ -	$ 11,000
General expenses due or accrued	1,350	-	1,350
Remittances and items not allocated	61	-	61
Amounts due to parent, subsidiaries and affiliates	8	-	8
Aggregate write-ins for other liabilities	310,904	-	310,904
Total liabilities	$ 323,323	-	$ 323,323
Common capital stock	2,415,697	-	2,415,697
Gross paid in and contributed	32,189,378		32,189,378
Unassigned funds (surplus)	6,492,284	-	6,492,284
Total capital and surplus	$ 41,097,359	-	$ 41,097,359
Total liabilities, capital and surplus	$ 41,420,682	$ -	$ 41,420,682

WEST VIRGINIA FAMILY HEALTH PLAN, INC.

STATEMENT OF REVENUE AND EXPENSES

DECEMBER 31, 2021

	Per Annual Statement	Statutory Examination Adjustments	Per Statutory Examination
Hospital and Medical:			
Hospital/medical benefits	(432,274)	-	(432,274)
Subtotal	(432,274)	-	(432,274)
Less:			
Total hospital and medical	(432,274)	-	(432,274)
Claims adjustment expenses, including cost containment expenses	8,898	-	8,898
General administrative expenses	(90,242)	-	(90,242)
Total underwriting deductions	(513,618)	-	(513,618)
Net underwriting gain or (loss)	513,618	-	513,618
Net investment income earned	447,277	-	447,277
Net realized capital gains (losses), less capital gains tax	22,336	-	22,336
Net investment gains (losses)	469,613	-	469,613
Aggregate write-ins for other income or expenses	11,901	-	11,901
Net income, after capital gains tax and before federal taxes	995,132	-	995,132
Federal and foreign income taxes incurred	(353,572)	-	(353,572)
Net income	$ 1,348,704	$ -	$ 1,348,704

WEST VIRGINIA FAMILY HEALTH PLAN, INC.

RECONCILIATION OF SURPLUS

DECEMBER 31, 2021

	2021	2020	2019	2018	2017
Capital and surplus prior reporting year	$ 40,201,633	$ 40,762,597	$ 35,943,543	$ 25,036,339	$ 8,326,025
Net income or (loss)	1,348,704	(2,094,117)	5,571,564	1,752,122	18,565,616
Change in net unrealized capital gains (losses)	26	-	-	-	-
Change in net deferred income tax	(569,416)	53,692	43,432	1,115,183	-
Change in nonadmitted assets	116,412	1,479,461	(795,942)	1,179,824	(1,855,387)
Change in surplus notes	-	-	-	(25,500,000)	-
Change in paid in capital	-	-	-	380,697	935,000
Transferred to capital (Stock Dividend)	-	-	-	31,979,378	(934,915)
Net change in capital and surplus	895,726	(560,964)	4,819,054	10,907,204	16,710,314
Capital and surplus end of reporting year	$ 41,097,359	$ 40,201,633	$ 40,762,597	$ 35,943,543	$ 25,036,339

SUMMARY OF EXAMINATION CHANGES

As a result of the financial examination, no adjustments were made to the HMWV, HSSC, or WVFHP financial statements.

SUBSEQUENT EVENTS

The following items were noted during the completion of the standard subsequent events procedures as part of the financial examination:

HMWV

1. On June 30, 2022, a decrease of $97.2 million in unrecognized tax benefits was recognized as a result of a lapse in the statute of limitations. It is reasonably possible that a decrease of up to $67.9 million in unrecognized tax benefits may be recognized by December 31, 2023.

2. Effective July 1, 2022, HMWV's 50% quota share reinsurance contract with HSSC was replaced with a 100% quota share reinsurance contract.

3. Officer Elections
    a. Effective November 15, 2022, Edward A. Bittner, Jr resigned from his position as Secretary.
    b. Effective November 15, 2022, Thomas D. Kavanaugh was elected as Secretary.

HSSC

1. Effective July 1, 2022, HSSC's 50% quota share reinsurance contract with HMWV was replaced with a 100% quota share reinsurance contract.

2. Officer Elections
    a. Effective November 15, 2022, Edward A. Bittner, Jr resigned from his position as Secretary.

b. Effective November 15, 2022, Thomas D. Kavanaugh was elected as Secretary.

WVFHP

1. Effective June 9, 2022, West Virginia Family Health Plan, Inc. changed its name to Highmark Health Options West Virginia Inc. d/b/a Highmark Health Options.

2. Officer Elections
   a. Effective November 15, 2022, Edward A. Bittner, Jr resigned from his position as Secretary.
   b. Effective November 15, 2022, Thomas D. Kavanaugh was elected as Secretary.
   c. Effective November 28, 2022, Jacques J. Knez resigned from his position as President.
   d. Effective November 28, 2022, Jason D. Landers was elected as President.

SUMMARY OF EXAMINATION RECOMMENDATIONS

As a result of the traditional scope financial examination, no report findings or recommendations were made.

ACKNOWLEDGEMENT AND SIGNATURE

This is to certify that the undersigned is a duly qualified Examiner appointed by the WVOIC. In addition to the undersigned, Rick Nelson, CFE, CIE, consulting supervising examiner of Johnson Lambert, LLP participated in the examination, as well as examiners representing the states of Pennsylvania, Arizona, Delaware, Maryland, Michigan, New York, Ohio and Texas who participated in the HMH Subgroup Examination. .

The examination was performed in accordance with those procedures authorized by the NAIC Financial Condition Examiner's Handbook and other procedures appropriate for this examination. The attached report of examination is a true and complete report of financial condition of Highmark West Virginia Inc., Highmark Senior Solutions Company, and West Virginia Family Health Plan, Inc. as of December 31, 2021, as determined by this examination.

Respectfully Submitted,

Matthew Jones

Matthew Jones, CFE, MCM
Examiner-in-Charge
Johnson Lambert, LLC
Representing the WV Offices of the Insurance Commissioner

Mary Jo Lewis

Mary Jo Lewis, CPA
Chief Financial Examiner
Financial Conditions Division
WV Offices of the Insurance Commissioner

STATE OF WEST VIRGINIA
Offices *of the* Insurance Commissioner

Allan L. McVey
Insurance Commissioner

June 12, 2023

Mr. James Love Fawcett, Jr., President
Highmark West Virginia, Inc.
614 Market Street
Parkersburg, WV 26101

RE: Report of Financial Examination as of December 31, 2021
Highmark West Virginia, Inc. ("HMWV")
NAIC #54828

Dear Mr. Fawcett:

Please find enclosed a copy of the Report of Examination of HMWV. This examination was performed in accordance with the provisions of Chapter 33, Article 2, Section 9 of the West Virginia Code, as amended. The Report of Examination reflects the financial affairs and condition of HMWV, as of December 31, 2021.

You are hereby notified that you have ten (10) working days from receipt of this letter to make written submission or rebuttals with respect to any matter contained in the Report of Examination. If no exception is taken, please respond accordingly by the end of the ten (10) day comment period.

Sincerely,

Allan L. McVey

Allan L. McVey
CPCU, ARM, AAI, AAM, AIS
Insurance Commissioner

ALM/mjl

cc: Robert Aupke, Auditor

Enclosure: Copy of Report of Examination

EXHIBIT
tabbies
B

STATE OF WEST VIRGINIA
Offices *of the* Insurance Commissioner

Allan L. McVey
Insurance Commissioner

June 12, 2023

Mr. James Love Fawcett, Jr., President
Highmark Senior Solutions Company
614 Market Street
Parkersburg, WV 26101

RE: Report of Financial Examination as of December 31, 2021
Highmark Senior Solutions Company ("HSSC")
NAIC #15459

Dear Mr. Fawcett:

Please find enclosed a copy of the Report of Examination of HSSC. This examination was performed in accordance with the provisions of Chapter 33, Article 2, Section 9 of the West Virginia Code, as amended. The Report of Examination reflects the financial affairs and condition of HSSC, as of December 31, 2021.

You are hereby notified that you have ten (10) working days from receipt of this letter to make written submission or rebuttals with respect to any matter contained in the Report of Examination. If no exception is taken, please respond accordingly by the end of the ten (10) day comment period.

Sincerely,

Allan L. McVey

Allan L. McVey
CPCU, ARM, AAI, AAM, AIS
Insurance Commissioner

ALM/mjl

cc: Robert Aupke, Auditor

Enclosure: Copy of Report of Examination

STATE OF WEST VIRGINIA
Offices *of the* Insurance Commissioner

Allan L. McVey
Insurance Commissioner

June 12, 2023

Mr. Jason Dean Landers, President
West Virginia Family Health Plan, Inc.
614 Market Street
Parkersburg, WV 26101

RE: Report of Financial Examination as of December 31, 2021
West Virginia Family Health Plan, Inc. ("WVFHP")
NAIC #15020

Dear Mr. Fawcett:

Please find enclosed a copy of the Report of Examination of WVFHP. This examination was performed in accordance with the provisions of Chapter 33, Article 2, Section 9 of the West Virginia Code, as amended. The Report of Examination reflects the financial affairs and condition of WVFHP, as of December 31, 2021.

You are hereby notified that you have ten (10) working days from receipt of this letter to make written submission or rebuttals with respect to any matter contained in the Report of Examination. If no exception is taken, please respond accordingly by the end of the ten (10) day comment period.

Sincerely,

Allan L. McVey

Allan L. McVey
CPCU, ARM, AAI, AAM, AIS
Insurance Commissioner

ALM/mjl

cc: Robert Aupke, Auditor

Enclosure: Copy of Report of Examination

HIGHMARK
WEST VIRGINIA

June 16, 2023

The Honorable Allen L. McVey
West Virginia Insurance Commissioner
900 Pennsylvania Avenue
Charleston, WV 25302

Re: Report on Examination as of December 31, 2021 Highmark West Virginia Inc.

Dear Commissioner McVey,

I would like to acknowledge receipt of the Examination Report of Highmark West Virginia, Inc. dated May 31, 2023.

We have reviewed the report and agree with the West Virginia Offices of the Insurance Commissioner's conclusion that there are no recommendations as a result of this examination.

We would like to thank the WV Offices of the Insurance Commissioner for the opportunity to work together during this examination and look forward to collaborating in the future.

Please feel free to contact me should you have any questions.

Sincerely,

James L. Fawcett
President
Highmark West Virginia Inc.

EXHIBIT

tabbies

C

HIGHMARK.
WEST VIRGINIA

June 16, 2023

The Honorable Allen L. McVey
West Virginia Insurance Commissioner
900 Pennsylvania Avenue
Charleston, WV 25302

Re: Report on Examination as of December 31, 2021 Highmark Senior Solutions Company Inc.

Dear Commissioner McVey,

I would like to acknowledge receipt of the Examination Report of Highmark Senior Solutions Company dated May 31, 2023.

We have reviewed the report and agree with the West Virginia Offices of the Insurance Commissioner's conclusion that there are no recommendations as a result of this examination.

We would like to thank the WV Offices of the Insurance Commissioner for the opportunity to work together during this examination and look forward to collaborating in the future.

Please feel free to contact me should you have any questions.

Sincerely,

James L. Fawcett
President
Highmark Senior Solutions Company Inc.

HIGHMARK.
WEST VIRGINIA

June 19, 2023

The Honorable Allen L. McVey
West Virginia Insurance Commissioner
900 Pennsylvania Avenue
Charleston, WV 25302

Re: Report on Examination as of December 31, 2021 West Virginia Family Health Plan, Inc.

Dear Commissioner McVey,

I would like to acknowledge receipt of the Examination Report of West Virginia Family Health Plan, Inc. dated May 31, 2023.

We have reviewed the report and agree with the West Virginia Offices of the Insurance Commissioner's conclusion that there are no recommendations as a result of this examination.

We would like to thank the WV Offices of the Insurance Commissioner for the opportunity to work together during this examination and look forward to collaborating in the future.

Please feel free to contact me should you have any questions.

Sincerely,

Jason D. Landers
President
West Virginia Family Health Plan, Inc.