



Janet T. Mills
Governor

STATE OF MAINE
DEPARTMENT OF PROFESSIONAL & FINANCIAL REGULATION
BUREAU OF INSURANCE



Robert L. Carey
Superintendent

Joan F. Cohen
Commissioner

February 17, 2026

Robert L. Carey, Superintendent
Maine Bureau of Insurance
34 State House Station
Augusta, ME 04333-0034

Dear Superintendent:

Pursuant to the provisions of 24-A M.R.S. §221, and in conformity with your instructions, a financial examination has been made of the

AMH HEALTH PLANS OF MAINE, INC.

as of December 31, 2022. The following report is respectfully submitted.

Office Location: 76 Northern Avenue, Gardiner, Maine 04345
Mailing Address: 34 State House Station, Augusta, Maine 04333
www.maine.gov/pfr/insurance

Phone: (207) 624-8475

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**STATE OF MAINE
BUREAU OF INSURANCE**

REPORT OF FINANCIAL EXAMINATION

**AMH HEALTH PLANS OF MAINE, INC.
SOUTH PORTLAND, MAINE**

AS OF DECEMBER 31, 2022

NAIC COMPANY CODE: 16774

NAIC GROUP CODE: 0671

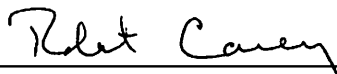
ACCEPTANCE OF REPORT OF EXAMINATION

WHEREAS a verified Report of Examination of AMH Health Plans of Maine, Inc. dated February 17, 2026, was delivered to that insurer on April 16, 2026; and

WHEREAS no hearing with respect to the Report of Examination has been requested by AMH Health Plans of Maine, Inc.;

NOW THEREFORE, I accept the Report of Examination and hereby order it placed on file in the Bureau of Insurance as provided for by 24-A M.R.S. §226 (3).

Dated: May 8, 2026



Robert L. Carey, Superintendent

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SCOPE OF EXAMINATION

This is the first examination of AMH Health Plans of Maine, Inc. (AMHHP-ME or the “Company”) by the State of Maine Bureau of Insurance (MBOI). This examination covers the period from April 22, 2020, to December 31, 2022.

This examination was performed pursuant to the risk-focused approach promulgated by the National Association of Insurance Commissioners (NAIC), in conformity with the 2023 NAIC Financial Condition Examiners Handbook (“the Handbook”) and the laws, rules, and regulations prescribed or permitted by the State of Maine. The Handbook requires that we plan and perform the examination to evaluate the financial condition, assess corporate governance, identify current and prospective risks and evaluate systems controls and procedures used to mitigate those risks. The examination also included the identification and evaluation of significant risks that could cause the Company’s surplus to be materially misstated both currently and prospectively. The external auditors’ work papers were utilized for this examination to the extent deemed appropriate to enhance the effectiveness and efficiency of this examination.

This examination was coordinated with the Indiana Department of Insurance (INDOI), which concurrently examined the Indiana domestic insurance companies of Elevance Health, Inc. (“Elevance Health”), the Company’s ultimate parent. The INDOI served as the lead state on the coordinated group examination. Maine, along with 22 other states and Washington, D.C., participated in the examination. The MBOI utilized the work of the INDOI to the extent deemed appropriate.

All accounts and activities of the Company 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. Comments on various financial statement items, for the purposes of this report, may be limited to examination adjustments, matters requiring clarification, departures from laws, rules and regulations, and/or significant changes in amounts. To the extent deemed necessary, transactions occurring subsequent to the examination date were reviewed.

This examination report includes significant findings of fact, pursuant to 24-A M.R.S. §225 (1), and general information about the Company and its financial condition. There may be other items identified during the examination that, due to their nature, are not included herein, and are instead separately reported to other regulators and/or the Company.

SUMMARY OF SIGNIFICANT FINDINGS

PRIOR EXAMINATION

This examination as of December 31, 2022, represented the first examination of the Company.

CURRENT EXAMINATION

None noted.

THE COMPANY

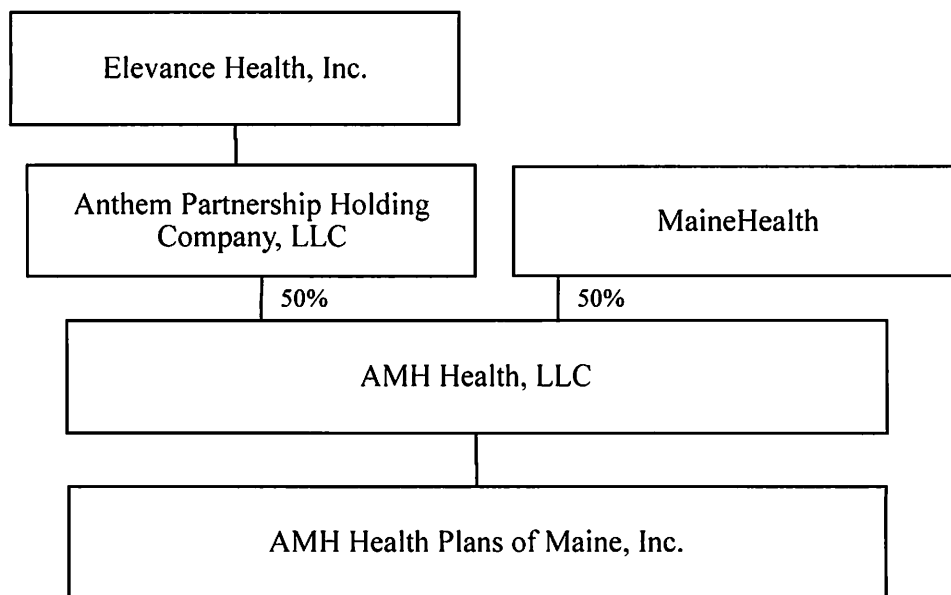
HISTORY

The Company was incorporated in the State of Maine on January 2, 2020. On April 22, 2020, the Company was granted a certificate of authority by the State of Maine to conduct the business of health insurance. The Company commenced writing and issuing Medicare Advantage policies effective January 1, 2021.

MANAGEMENT AND CONTROL

The Company is a wholly-owned subsidiary of AMH Health, LLC (AMHH), which is owned 50% by Anthem Partnership Holding Company, LLC (APHC), a wholly-owned subsidiary of Elevance Health, formerly known as Anthem Inc., and 50% by MaineHealth, a not-for-profit corporation with hospitals, providers, and healthcare organizations primarily located in Maine.

An abbreviated organizational chart as of December 31, 2022, is presented below:



CORPORATE RECORDS

The Company's articles of incorporation, bylaws, and minutes of the board of directors meetings held during the period under examination were reviewed.

CORPORATE GOVERNANCE

The Company is governed and overseen by its board of directors and management team.

As of December 31, 2022, the board of directors of the Company consisted of the following members:

<u>Name</u>	<u>Title</u>	<u>Affiliation</u>
Albert Graton Swallow III*	Chairperson	MaineHealth
Aleksey Furman*	Director	Elevance Health
Francis George McGinty	Director	MaineHealth
Scott Douglas Mills, M.D.*	Director	MaineHealth
Raul Guillermo Smith*	Director	Elevance Health
Kimberly Switlick-Prose*	Director	Elevance Health
David Earl Warren*	Director	Verrill Dana, LLP

As of December 31, 2022, the officers of the Company consisted of the following individuals:

<u>Name</u>	<u>Title</u>
Albert Graton Swallow III*	President and Chairperson
Vincent Edward Scher	Treasurer
Kathleen Susan Kiefer	Secretary
Eric Kenneth Noble	Assistant Treasurer

* See below for a summary of changes to the Company's board of directors and officers subsequent to December 31, 2022:

In 2023, Joshua Simon Ardise, M.D. (Elevance Health) and Mark Joseph Schneider (Elevance Health) were elected to the board of directors; Aleksey Furman, Raul Guillermo Smith, and Kimberly Switlick-Prose were removed as directors.

In 2024, Charles Richard Bayman (MaineHealth), Marshall Robert Chamberlin, M.D. (MaineHealth), James Robert Kenter (Elevance Health), Jennifer Moore (MaineHealth), and Denise Marie Smith (Elevance Health) were elected as directors; Joshua Simon Ardise, M.D., Scott Douglas Mills, M.D., Albert Graton Swallow III, and David Earl Warren were removed as directors. Denise Marie Smith replaced Albert Graton Swallow III as President and Chairperson.

In 2025, Michael Leonard Allegretti (Elevance Health) was elected as director; James Robert Kenter was removed as director.

TRANSACTIONS WITH AFFILIATES

The Company is a party to an Administrative Services Agreement with AMHH. Under the agreement, AMHH will provide or arrange to provide certain administrative and other services for the Company.

The Company is party to a Master Services Agreement with Carelon Behavioral Health Strategies, LLC (f/k/a Beacon Health Strategies, LLC), Carelon Behavioral Health, Inc. (f/k/a Beacon Health Options, Inc.), and Carelon Health of New Jersey, Inc. (f/k/a ValueOptions of New Jersey, Inc.), which provide behavioral health services to AMHHP-ME and other subsidiaries of Elevance Health.

The Company received capital contributions of \$3,500,000 in 2022, \$2,600,000 in 2021, and \$2,400,000 in 2020, a total of \$8,500,000, from its parent, AMHH.

TERRITORY AND PLAN OF OPERATION

The Company offers Medicare Advantage preferred provider organization (PPO) products in Maine through its contract with the Center for Medicare and Medicaid Services (CMS). The Company is a licensee of the Blue Cross and Blue Shield Association (BCBS) and markets its products under the BCBS trade name. As a BCBS licensee, the Company participates in the BlueCard Program whereby members who need health care services while traveling or living in another plan's service area may access their benefits through the local plan's medical providers.

REINSURANCE

The Company maintains no reinsurance agreements as of December 31, 2022.

FINANCIAL STATEMENTS

The Statement of Admitted Assets, Liabilities and Surplus, the Statement of Revenue and Expenses, and the Statement of Capital and Surplus are as presented by management and audited by the Company's external auditors. These financial statements have not been audited by the MBOI and thus the MBOI does not express an opinion on the financial statements as a whole.

**STATEMENT OF ADMITTED ASSETS, LIABILITIES AND SURPLUS
AS OF DECEMBER 31, 2022**

Assets

Bonds	\$ 109,666
Cash	6,746,026
Investment income due and accrued	750
Uncollected premiums and agents' balances	4,083
Accrued retrospective premiums and contracts subject to redetermination	234,423
Health care and other amounts receivable	40,623
Total assets	<u>\$ 7,135,571</u>

Liabilities

Claims unpaid	\$ 879,572
Accrued medical incentive pool and bonus amounts	18,913
Unpaid claims adjustment expenses	26,388
Aggregate health policy reserves	2,073,261
Premiums received in advance	1,784
General expenses due or accrued	22
Amounts withheld or retained for the account of others	541
Remittances and items not allocated	12,702
Amounts due to parent, subsidiaries and affiliates	83,875
Liability for amounts held under uninsured plans	285,196
Aggregate write-ins for other liabilities	3,939
Total liabilities	<u>\$ 3,386,193</u>

Capital and Surplus

Common capital stock	1,000,000
Gross paid in & contributed surplus	7,500,000
Unassigned funds (surplus)	<u>(4,750,622)</u>
Total Capital and Surplus	<u>3,749,378</u>
Total Liabilities, Capital and Surplus	<u>\$ 7,135,571</u>

STATEMENT OF REVENUE AND EXPENSES
YEAR ENDED DECEMBER 31, 2022

Member months	9,790
Net premium income	\$ 7,215,394
Change in unearned premium reserves and reserve for rate credits	(45,032)
Total revenues	<u>7,170,362</u>
Hospital/medical benefits	6,408,750
Other professional services	642,998
Emergency room and out-of-area	580,771
Prescription drugs	240,620
Incentive pool, withhold adjustments, and bonus amounts	83,446
Total hospital and medical	<u>7,956,585</u>
Claims adjustment expenses	378,688
General administrative expenses	1,043,112
Increase in reserves for life and accident and health contracts	1,428,824
Total underwriting deductions	<u>10,807,209</u>
Net underwriting loss	<u>(3,636,847)</u>
Net investment income earned	<u>(7,581)</u>
Net investment losses	<u>(7,581)</u>
Net loss from agents' or premium balances charged off	(2,952)
Aggregate write-ins for other income or expenses	(26)
Net loss after capital gains tax and before federal income taxes	<u>(3,647,406)</u>
Federal income taxes incurred	7,815
Net loss	<u>\$ (3,655,221)</u>

**STATEMENT OF CAPITAL AND SURPLUS
YEAR ENDED DECEMBER 31, 2022**

Capital and surplus, December 31, 2021	\$ 3,936,356
Net loss	(3,655,221)
Change in nonadmitted assets	(31,757)
Surplus adjustments – Paid in	<u>3,500,000</u>
Net change in capital and surplus	<u>(186,978)</u>
Capital and surplus, December 31, 2022	<u>\$ 3,749,378</u>

COMMENTS ON THE FINANCIAL STATEMENTS

NOTE 1 – RESERVES

Lewis & Ellis, LLC (“L&E actuary”) was engaged by the MBOI to provide actuarial assistance with the financial examination of the Company as of December 31, 2022. The L&E actuary performed a review the Appointed Actuary’s 2022 Actuarial Opinion and Memorandum for reasonableness of assumptions and methodologies at a high level and for compliance with NAIC Annual Statement Instructions.

Additionally, Davies Group (“Davies actuary”) was engaged by the INDOI to provide actuarial assistance for the financial examination of insurance subsidiaries within the Elevance Health Group, including the Company, as of December 31, 2022. The Davies actuary’s review included: participation in interviews and discussions with key personnel to gain an understanding of the processes to develop and report reserves and liabilities and appropriately price products; review of controls to mitigate certain reserving and pricing risks; review of the Appointed Actuary’s 2022 Actuarial Opinion and Memorandum; and review of the external auditor’s conclusions regarding the carried reserves. The reserves as reported by the Company were determined to be reasonable based on the review performed by the Davies actuary.

NOTE 2 – CAPITAL AND SURPLUS

The following table describes the capital and surplus changes for the three-year period beginning December 31, 2019:

Capital and surplus, December, 31 2019	\$ 0
Net income (loss)	(4,712,586)
Change in nonadmitted assets	(38,036)
Capital changes – Paid in	1,000,000
Surplus adjustments – Paid in	7,500,000
Net change in capital and surplus	<u>3,749,378</u>
Capital and surplus, December 31, 2022	<u>\$ 3,749,378</u>

SUBSEQUENT EVENTS

On December 29, 2023, APHC made additional capital contributions to AMHH in the amount of \$24,000,000. In return, 24,000 common units of ownership were issued to APHC. As a result, APHC now holds a 64% ownership interest in AMHH, thereby reducing MaineHealth’s ownership interest to 36%.

SUMMARY OF RECOMMENDATIONS

There are no report level recommendations.

STATE OF MAINE
COUNTY OF KENNEBEC, SS

Vanessa J. Sullivan, being duly sworn according to law deposes and says that, in accordance with authority vested in her by Robert L. Carey, Superintendent of Insurance, pursuant to the Insurance Laws of the State of Maine, she has made an examination of the condition and affairs of the

AMH HEALTH PLANS OF MAINE, INC.

located in South Portland, Maine as of December 31, 2022, and that the foregoing report of examination subscribed to by her is true to the best of her knowledge and belief. Noble Consulting Services, Inc. performed the examination. The following examiners from the Bureau of Insurance assisted:

Arias Wan, CPA, CFE



Vanessa J. Sullivan, CFE

Subscribed and sworn to before me
This 8th day of May, 2026



Notary Public
My Commission Expires: _____
ME Bar # 108147