



Janet T. Mills  
Governor

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



Joan F. Cohen  
Commissioner

Robert L. Carey  
Superintendent

January 8, 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. §4215 (1) and in conformity with your instructions, a financial examination has been made of the

**WELLCARE 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](http://www.maine.gov/pfr/insurance)

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**STATE OF MAINE  
BUREAU OF INSURANCE**

**REPORT OF FINANCIAL EXAMINATION**

**WELLCARE OF MAINE, INC.  
SACO, ME**

**AS OF DECEMBER 31, 2022**

**NAIC COMPANY CODE: 16344**

**NAIC GROUP CODE: 1295**

**ACCEPTANCE OF REPORT OF EXAMINATION**

WHEREAS a verified Report of Examination of WellCare of Maine, Inc. dated January 8, 2026, was delivered to that insurer on January 28, 2026; and

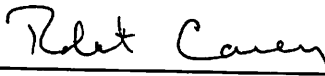
WHEREAS WellCare of Maine, Inc. and Bureau of Insurance staff have agreed to certain modifications with respect to the Report of Examination; and

WHEREAS I find such modifications proper; and

WHEREAS no hearing with respect to the Report of Examination has been requested by WellCare 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: February 18, 2026

  
Robert L. Carey, Superintendent

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## **SCOPE OF EXAMINATION**

This is the first examination of WellCare of Maine, Inc. (WCME or the “Company”) by the State of Maine Bureau of Insurance (MBOI). This examination covered the period from March 12, 2018, 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 Texas Department of Insurance (TDI), which concurrently examined the Texas domestic insurance companies of Centene Corporation (“Centene”), the Company’s ultimate parent. The TDI served as the lead state on the coordinated group examination. Maine, along with 32 other states, participated in the examination. The MBOI utilized the work of the TDI 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 COMMENTS**

None noted.

## **THE COMPANY**

### **HISTORY**

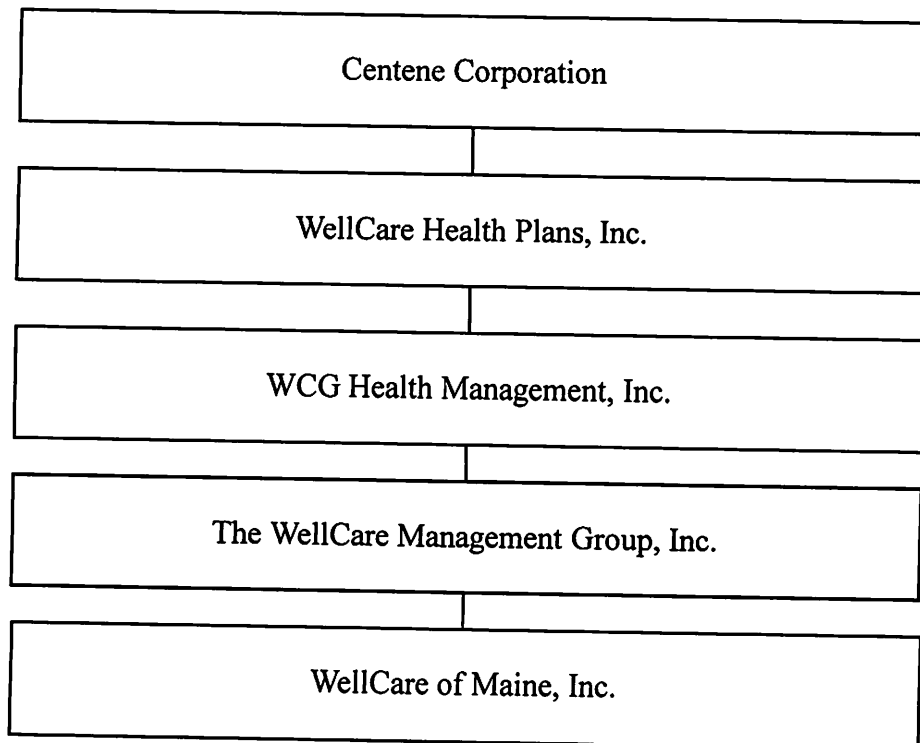
The Company was incorporated in the State of Maine on October 16, 2017, as a Maine corporation and an indirect wholly owned subsidiary of WellCare Health Plans, Inc. (WHP). On March 12, 2018, the Company was granted a limited certificate of authority by the State of Maine as a Health Maintenance Organization for offering Medicare Advantage products. The Company commenced writing and issuing policies effective January 1, 2019.

On March 26, 2019, WHP entered into an Agreement and Plan of Merger with Centene. On June 24, 2019, stockholders of both companies approved proposals of the pending transaction. On January 23, 2020, upon satisfaction of all required regulatory approvals and customary closing conditions, WHP became a direct wholly owned subsidiary of Centene.

### **MANAGEMENT AND CONTROL**

The Company is a wholly owned subsidiary of The WellCare Management Group, Inc. (WCMG) whose ultimate parent is Centene.

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 well as the board of directors of Centene and committees thereof.

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

<b><u>Name</u></b>	<b><u>Title</u></b>
Benjamin Mark Craig	Director
Judi Ellen Neveux	Director
Richard St. Patrick Parnell*	Director

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

<b><u>Name</u></b>	<b><u>Title</u></b>
Judi Ellen Neveux	President
James Edward Snyder III	Treasurer and Vice President
Janet Robey Alonzo*	Secretary and Vice President
Tricia Lynn Dinkelman	Vice President of Tax
Benjamin Mark Craig	Assistant Secretary

\*Subsequent to December 31, 2022, Kendra Louise Archer replaced Janet Robey Alonzo as Secretary and Vice President on September 25, 2023, and Richard St. Patrick Parnell was removed as a director on October 30, 2024.

### **TRANSACTIONS WITH AFFILIATES**

The Company is party to a Management Services Agreement with Centene Management Company, LLC (CMC), effective January 1, 2022, under which CMC provides certain management, administrative services and claims processing utilization review, payroll services and the majority of the administrative functions for the Company, excluding certain sales and marketing functions and other professional consulting expenses. The Company pays CMC a fee based on a percentage of its monthly revenue for which CMC provides the services necessary to manage the business operations of the Company and assumes responsibility for all associated costs.

The Company is also party to a Dental Services Agreement with Envolve Dental, Inc. (EDI) and a Radiology Services Agreement with National Imaging Association, Inc. (NIA).

The Company participates in a Tax Sharing Agreement with Centene and other affiliates, under which the tax provisions are generally computed as if the Company were filing a separate tax return.

The Company has a Parental Guaranty, under which WHP guarantees that the Company will maintain capital and surplus at a level no less than the greater of the product of its authorized control level risk-based capital and 4.0 or the minimum requirements for capital and surplus.

The Company received capital contributions of \$7,500,000 in 2020, \$2,000,000 in 2019, and \$5,113,150 in 2018, a total of \$14,612,150, from its parent, WCMG.

**TERRITORY & PLAN OF OPERATION**

The Company offers coverage under the Medicare program regulated by the Centers for Medicare & Medicaid Services. The Company is licensed in the State of Maine only.

**REINSURANCE**

In 2022, the Company maintained excess of loss reinsurance with PartnerRe America Insurance Company, which covers 80% of expenses in excess of \$5,000,000, up to \$5,000,000 per member per agreement term.

**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	\$ 28,688,757
Cash and cash equivalents	5,064,387
Investment income due and accrued	188,440
Accrued retrospective premiums	6,871,946
Amounts receivable relating to uninsured plans	2,453,485
Net deferred tax asset	233,372
Receivables from parent, subsidiaries, and affiliates	2,190,393
Health care and other amounts receivables	7,013,390
<b>Total assets</b>	<b>\$ 52,704,169</b>

**Liabilities**

Claims unpaid	\$ 16,176,492
Accrued medical incentive pool and bonus amounts	1,537,826
Unpaid claims adjustment expenses	184,828
Aggregate health policy reserves	2,025,911
Premiums received in advance	522
General expenses due or accrued	211,342
Current federal and foreign income tax payable and interest on	647,253
Amounts due to parent, subsidiaries, and affiliates	166,159
Liability for amounts held under uninsured plans	3,491,590
Aggregate write-ins for other liabilities	34,414
<b>Total liabilities</b>	<b>\$ 24,476,337</b>

**Capital and Surplus**

Common capital stock	\$ 1,000
Gross paid in and contributed surplus	14,612,150
Unassigned funds	13,614,682
<b>Total capital and surplus</b>	<b>28,227,832</b>
<b>Total liabilities, capital and surplus</b>	<b>\$ 52,704,169</b>

**STATEMENT OF REVENUE AND EXPENSES  
YEAR ENDED DECEMBER 31, 2022**

Member Months	99,558
Net premium income	\$ 123,448,864
Hospital/medical benefits	84,229,563
Other professional services	4,293,819
Emergency room and out-of-area	8,430,866
Prescription drugs	5,387,453
Incentive pool, withhold adjustments and bonus amounts	<u>2,501,217</u>
Total hospital and medical	104,842,918
Claims adjustment expenses	1,228,278
General administrative expenses	<u>12,299,041</u>
Total underwriting deductions	<u>118,370,237</u>
Net underwriting gain	<u>5,078,627</u>
Net investment income earned	550,725
Net realized capital loss	<u>(39,690)</u>
Net investment gains	<u>511,035</u>
Net loss from agents' or premium balances charged off	<u>(31,755)</u>
Net income after capital gains tax and before federal income taxes	5,557,907
Federal and foreign income taxes incurred	<u>1,167,178</u>
Net income	<u>\$ 4,390,729</u>

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

Capital and surplus, December 31, 2021	\$ 23,811,246
Net income	4,390,729
Change in net deferred income tax	(16,796)
Change in nonadmitted assets	<u>42,653</u>
Change in capital and surplus	<u>4,416,586</u>
Capital and surplus, December 31, 2022	<u>\$ 28,227,832</u>

## **COMMENTS ON THE FINANCIAL STATEMENTS**

### **NOTE 1 – RESERVES**

Lewis & Ellis, LLC (“consulting actuary”) was engaged by the MBOI to provide actuarial assistance with the financial examination of the Company as of December 31, 2022. The consulting actuary performed a review of 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, the TDI’s in-house actuaries (“TDI actuaries”) provided actuarial assistance with the financial examination of insurance subsidiaries of Centene, including the Company, as of December 31, 2022. The TDI actuaries’ review included: participation in interviews and discussions with key personnel to gain an understanding of the processes to develop and report reserves and liabilities; review of controls to mitigate reserving risks; review of the Appointed Actuary’s 2022 Actuarial Opinion and Memorandum; and testing to verify that the assumptions and methodologies used by the Company to determine liabilities and reserves are reasonable, appropriate, and in line with established actuarial practice.

### **NOTE 2 – CAPITAL AND SURPLUS**

The following table describes the capital and surplus changes for the five-year period beginning December 31, 2017:

Capital and surplus, December 31, 2017	\$ 0
Net income	14,037,472
Change in net deferred income tax	233,371
Change in nonadmitted assets	(656,161)
Capital changes: Paid in	1,000
Surplus adjustments: Paid in	<u>14,612,150</u>
Capital and surplus, December 31, 2022	<u>\$ 28,227,832</u>

## **SUBSEQUENT EVENTS**

Effective January 1, 2023, the agreement with CMC was amended and the Company paid CMC for its actual costs incurred.

Effective January 1, 2023, the Company entered into an Administrative Pharmacy Services Agreement with an affiliate, Centene Pharmacy Services, Inc.

In 2023, NIA is no longer an affiliate of the Company after the completion of NIA’s divestiture from Centene.

Beginning in 2023, the Company no longer maintains excess of loss reinsurance.

In 2025, the Company received a capital contribution of \$3,000,000 from Centene Management Company, LLC, an affiliate.

### **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

**WELLCARE OF MAINE, INC.**

located in Saco, 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. The following examiners from the Bureau of Insurance assisted:

Arias Wan, CPA, CFE  
Colin J. Greeley

  
\_\_\_\_\_  
Vanessa J. Sullivan, CFE

Subscribed and sworn to before me  
This 18 day of Feb, 2026

  
\_\_\_\_\_  
Notary Public  
My Commission Expires: 11/9/29

