



**FILED**

**MAY 03 2023**

**INSURANCE REGULATION**  
Docketed by: 1095

**OFFICE OF INSURANCE REGULATION**

**MICHAEL YAWORSKY**  
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 309788-23-CO

BRIGHT HEALTH INSURANCE COMPANY OF FLORIDA  
\_\_\_\_\_ /

**THIRD CONSENT ORDER**  
**EXTENDING PERIOD FOR PUBLIC ADMINISTRATIVE SUPERVISION**

THIS CAUSE came on for consideration as a result of discussions between the FLORIDA OFFICE OF INSURANCE REGULATION (“OFFICE”) and BRIGHT HEALTH INSURANCE COMPANY OF FLORIDA (“BRIGHT HEALTH”) subsequent to entering into a consent order placing it in confidential administrative supervision for a period of 120 days in Consent Order 299955-22-CO (“Supervision Order”), which was filed on September 2, 2022, attached hereto and incorporated herein as “Exhibit A”. On January 12, 2023, confidential administrative supervision of BRIGHT HEALTH was extended until March 1, 2023, in Consent Order 304072-22-CO, attached hereto and incorporated herein as “Exhibit B”. On March 1, 2023, confidential administrative supervision was of BRIGHT HEALTH was extended to May 1, 2023, and modified from confidential supervision to public supervision in Consent Order 306565-23-CO, attached hereto and incorporated herein as “Exhibit C”. Subsequently, the parties have agreed to another extension. Following a complete review of the entire record, and upon consideration thereof, and otherwise being fully advised in the premises, the OFFICE hereby finds as follows:

1. The OFFICE has jurisdiction over the subject matter and the parties herein.

2. BRIGHT HEALTH is a domestic life and health insurer authorized to transact insurance business in the state of Florida pursuant to a Certificate of Authority issued by the OFFICE, pursuant to Chapter 624, Part III, Florida Statutes.

3. Paragraph 6 of the Supervision Order states, in part, as follows:

6. BRIGHT HEALTH has been cooperative with the OFFICE and agrees to be placed under administrative supervision for a period of 120 days from the date of execution of this Consent Order and to be subject to the provisions of Sections 624.80-624.87, Florida Statutes. Such administrative supervision may be extended in 60 day increments at the OFFICE's sole reasonable discretion for as long as is necessary for BRIGHT HEALTH to demonstrate that its Parent has sufficient funding to support the business operations of the insurance companies within the group and satisfy all financial covenants.

4. Administrative supervision of BRIGHT HEALTH is currently set to expire on May 1, 2023.

5. Section 624.81(8), Florida Statutes, provides that the OFFICE "may extend the supervision in increments of 60 days or longer...if conditions justifying supervision exist." The OFFICE has determined that grounds exist to extend the period of administrative supervision of BRIGHT HEALTH.

6. As of the date of the execution of this Consent Order, BRIGHT HEALTH agrees that conditions exist that necessitate an additional period of administrative supervision.

7. BRIGHT HEALTH hereby consents to an additional period of public administrative supervision from May 1, 2023 until June 30, 2023.

8. BRIGHT HEALTH hereby knowingly and voluntarily waives the requirement of written notice under Section 624.81(1), Florida Statutes, and agrees that any timelines outlined in this Consent Order will be binding, notwithstanding any timelines provided for in Section 624.81, Florida Statutes.

9. BRIGHT HEALTH agrees that all terms of the Supervision Order shall apply and remain in full force and effect, except as superseded by this Consent Order.

10. Any prior Orders, Consent Orders, or corrective action plans that BRIGHT HEALTH has entered into with the OFFICE prior to the issuance of this Consent Order shall remain in full force and effect for BRIGHT HEALTH except where provisions of such Orders, Consent Orders, or corrective action plans have expired; have been superseded by subsequent Orders, Consent Orders, or corrective action plans; or are inconsistent with this Consent Order.

11. Any deadlines, reporting requirements, other provisions, or requirements set forth in this Consent Order may be altered or terminated by written approval of the OFFICE. Such written approval by the OFFICE is subject to statutory or administrative regulation limitations.

12. BRIGHT HEALTH agrees that, upon execution of this Consent Order, failure to adhere to one or more of the terms and conditions contained herein may result in the OFFICE suspending, revoking, or taking other administrative action as it deems appropriate upon BRIGHT HEALTH's Certificate of Authority in this state in accordance with Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

13. BRIGHT HEALTH affirms that all representations made herein are true and all requirements set forth herein are material to the issuance of this Consent Order.

14. BRIGHT HEALTH agrees that it has entered into this Consent Order voluntarily, without coercion from the OFFICE, or any agent, employee, or designee of the OFFICE, and that BRIGHT HEALTH has obtained legal counsel prior to entering into this Consent Order.

15. BRIGHT HEALTH expressly waives a hearing in this matter, the making of findings of fact and conclusions of law by the OFFICE, and all further and other proceedings herein to which it may be entitled by law or rules of the OFFICE. BRIGHT HEALTH hereby knowingly and

voluntarily waives all rights to challenge or to contest this Consent Order in any forum available to it, now or in the future, including the right to any administrative proceeding, state or federal court action, or any appeal.

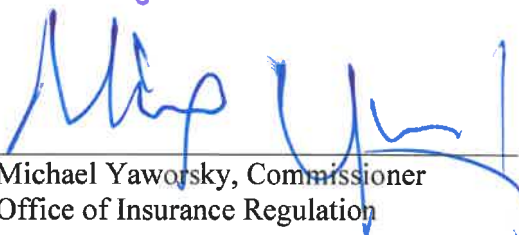
16. The parties agree that this Consent Order shall be deemed to be executed when the OFFICE has signed and docketed a copy of this Consent Order bearing the signature of the authorized representative of BRIGHT HEALTH, notwithstanding the fact that the copy may have been transmitted to the OFFICE electronically. Further, BRIGHT HEALTH agrees that the signature of its authorized representative as affixed to this Consent Order shall be under the seal of a Notary Public.

WHEREFORE, because the FLORIDA OFFICE OF INSURANCE REGULATION has determined that conditions justifying administrative supervision continue to exist, the administrative supervision of BRIGHT HEALTH INSURANCE COMPANY OF FLORIDA is hereby extended until June 30, 2022. All terms and conditions contained herein are hereby ORDERED, and all other provisions of Consent Orders 299955-22-CO, 304072-22-CO, and 306565-23-CO, remain unchanged by this Consent Order.

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

DONE and ORDERED this 3<sup>rd</sup> day of May, 2023.



  
Michael Yaworsky, Commissioner  
Office of Insurance Regulation

By execution hereof, BRIGHT HEALTH INSURANCE COMPANY OF FLORIDA consents to entry of this Consent Order, agrees without reservation to all the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind BRIGHT HEALTH INSURANCE COMPANY OF FLOIRDA to the terms and conditions of this Consent Order. The undersigned also certifies that they have provided the signature below voluntarily and without coercion, based upon the assistance of legal counsel for BRIGHT HEALTH INSURANCE COMPANY OF FLORIDA.

BRIGHT HEALTH INSURANCE COMPANY OF  
FLORIDA

By: [Signature]

[Corporate Seal]

Name: Jeff Craig  
(Please type or print)

Title: Secretary

Date: 5/3/2023

STATE OF Minnesota  
COUNTY OF Hennepin

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

or ☐ online notarization, this 3<sup>rd</sup> day of May 2023, by Jeff Craig  
(name of person)

as Secretary for Bright Health Insurance Company of Florida  
(type of authority; e.g., officer, trustee, attorney in fact) (company name)



[Signature]

(Signature of the Notary)

Laura A. Post

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification \_\_\_\_\_

Type of identification produced Driver's License

My Commission Expires 1/31/25

COPIES FURNISHED TO:

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**PRIVILEGED  
AND  
CONFIDENTIAL**



**FILED**

SEP 02 2022

INSURANCE REGULATION  
Docketed by: SB

**OFFICE OF INSURANCE REGULATION**

**DAVID ALTMAYER**  
Commissioner

**IN THE MATTER OF:**

**CASE NO.: 299955-22-CO**

**BRIGHT HEALTH INSURANCE COMPANY OF FLORIDA**

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**CONSENT ORDER FOR PUBLIC ADMINISTRATIVE SUPERVISION**

THIS CAUSE came on for consideration upon review of the financial condition of BRIGHT HEALTH INSURANCE COMPANY OF FLORIDA ("BRIGHT HEALTH") by the FLORIDA OFFICE OF INSURANCE REGULATION ("OFFICE"). After a complete review of the entire record, and upon consideration thereof, and otherwise being fully advised in the premises, the OFFICE hereby finds as follows:

1. The OFFICE has jurisdiction over the subject matter and the parties herein.
2. BRIGHT HEALTH is a domestic life and health insurer authorized to transact insurance business in the state of Florida pursuant to a Certificate of Authority issued by the OFFICE, pursuant to Chapter 624, Part III, Florida Statutes.
3. On August 18, 2022, BRIGHT HEALTH filed its quarterly financial statement as of June 30, 2022 ("Quarterly Statement") with the OFFICE. In the Quarterly Statement, BRIGHT HEALTH made the following disclosure in the Notes to the Financial Statement, I.D., Going Concern:

These financial statements have been prepared in accordance with NAIC SAP assuming the Company will continue as a going concern. The holding company has a history of operating losses, and Bright Health generated a consolidated net loss of \$432.0 million for the six months ended June 30, 2022. These losses, as well as

significant growth in consumers in the Bright HealthCare segment, which has required Bright Health Group to set aside additional cash for equity contributions to maintain minimum regulatory amounts, have reduced the cash available to fund operations. Based on our projected cash flows and absent of other action, Bright Health Group will require additional liquidity to meet its obligation as they come due in the 12 months following the date the statutory basis financial statements are issued. The conditions raise substantial doubt about the Company's ability to continue as a going concern.

In response to these conditions, the Bright Health Group is in the process of seeking additional financing. The Company has formed a special committee of the Board of Directors and engaged a financial advisor to evaluate financing opportunities. However, the Company may not be able to obtain financing on acceptable terms, as any potential financing will be subject to market conditions that are not within the Company's control. In the event the Company is unable to obtain additional financing or take other management actions, among other potential consequences, we forecast we will be unable to satisfy our financial covenants under our Credit Agreement.

4. Bright Health Group, Inc. ("Parent") made a similar disclosure in its Form 10-Q filing with the United States Securities and Exchange Commission on August 15, 2022.

5. The OFFICE has determined that grounds exist for BRIGHT HEALTH to be placed in administrative supervision for the purpose of safeguarding its assets; protecting the interests of policyholders, claimants, and the public; and effectuating an orderly wind-down of its remaining liabilities if necessary.

6. BRIGHT HEALTH has been cooperative with the OFFICE and agrees to be placed under administrative supervision for a period of 120 days from the date of execution of this Consent Order and to be subject to the provisions of Sections 624.80-624.87, Florida Statutes. Such administrative supervision may be extended in 60 day increments at the OFFICE's sole reasonable discretion for as long as is necessary for BRIGHT HEALTH to demonstrate that its Parent has sufficient funding to support the business operations of the insurance companies within the group and satisfy all financial covenants. All material terms of potential funding are to be included in a plan, which is subject to the OFFICE's approval ("Plan"). BRIGHT HEALTH shall provide the OFFICE with prompt updates on material changes to the potential funding and shall submit an



amended Plan reflecting said changes to the Office for approval.

7. BRIGHT HEALTH must file its Plan with the OFFICE no later than September 15, 2022. The Plan must include, but is not limited to, the following:

- a. A summary of the events that lead to the deterioration of the Parent's and BRIGHT HEALTH's capital;
- b. A narrative description of the Parent's efforts to obtain sufficient capital to support the operations of BRIGHT HEALTH and all other insurance companies within the group, including how the Parent intends to secure adequate funding; BRIGHT HEALTH must have obtained sufficient funding prior to close of business on October 15, 2022.
- c. A detailed timeline of events and actions taken by the Parent to obtain sufficient capital to date and a projected timeline of future actions and timeline for remediation;
- d. The identity of an independent actuary that will certify all reserves, including the premium deficiency reserve and risk adjustment reserve, are adequately recorded in BRIGHT HEALTH's Quarterly Statement as well as a timeline for the submission of said certification;
- e. A demonstration, in sufficient detail as determined by the OFFICE, of BRIGHT HEALTH's ability to fund its operations in amounts sufficient to pay all policyholder claims and provide for the payment of other liabilities as they become due; and
- f. A summary of all outstanding claims as of August 31, 2022, and such further claim information as may be requested by the OFFICE.

8. BRIGHT HEALTH will remain in administrative supervision, pursuant to this Consent Order, for the purpose of implementing its Plan.

9. Except as expressly permitted in paragraph 13 below, BRIGHT HEALTH may not conduct the following activities during the period of supervision, without prior approval by the OFFICE, as set forth in Section 624.83, Florida Statutes:

- a. Dispose of, convey, or encumber any of its assets or its business in force;
- b. Withdraw any of its bank accounts;
- c. Lend any of its funds;
- d. Invest any of its funds;
- e. Transfer any of its property;
- f. Incur any debt, obligation, or liability;
- g. Merge or consolidate with another company;
- h. Enter into any new reinsurance contract or treaty;
- i. Terminate, surrender, forfeit, convert, or lapse any insurance policy, certificate, or contract of insurance, except for nonpayment of premiums due;
- j. Release, pay, or refund premium deposits, accrued cash or loan values, or other reserves on any insurance policy or certificate; or
- k. Make any material change in management.

10. BRIGHT HEALTH agrees to notify the OFFICE within 5 days of any changes to the officers or directors of Parent.

11. BRIGHT HEALTH hereby knowingly and voluntarily waives the requirement of written notice under Section 624.81(1), Florida Statutes, and therefore agrees that any timelines outlined in this Consent Order will be binding, notwithstanding any timelines provided for in Section 624.81, Florida Statutes.

12. BRIGHT HEALTH shall not enter into any new or amend any existing agreements with any affiliate, as defined in Section 631.011(1), Florida Statutes, without prior written consent of the OFFICE.

13. BRIGHT HEALTH shall not waste assets or expend funds in excess of \$10,000 United States Dollars ("USD"), other than in the ordinary course of business, without the prior written consent of the OFFICE. The Office agrees to review any proposed transaction promptly upon request of BRIGHT HEALTH. If, after approval of a transaction over \$10,000 USD has been granted by the OFFICE, the OFFICE becomes aware of additional facts or circumstances that materially affect such approval, the OFFICE reserves the right to require such corrective action as it may deem necessary or advisable. Transactions in the ordinary course of business shall include, but not be limited to, marketing expenses, payment of claims, or settlement of disputed or litigated claims, payment to attorneys, actuaries, advisors, brokers, consultants, contingent labor, and other typical vendors (third party claims administrators, pharmacy benefit managers, care and utilization partners, payment integrity partners, etc.) currently a part of BRIGHT HEALTH's ordinary course of business. BRIGHT HEALTH need not obtain prior written approval for payment of claims or for settlement of disputed or litigated claims over the amount of \$10,000 USD; however, the OFFICE may retrospectively review such payments.

14. Within 5 business days of execution of this Consent Order, BRIGHT HEALTH shall provide a list of any known pending litigation in which BRIGHT HEALTH is named as a party. BRIGHT HEALTH shall provide the OFFICE an updated list on a monthly basis.

15. The OFFICE may appoint a Deputy Supervisor pursuant to Section 624.87, Florida Statutes. Such Deputy Supervisor shall represent the OFFICE and shall be under the control of the OFFICE.

16. BRIGHT HEALTH shall be responsible for administrative supervision expenses pursuant to Section 624.87, Florida Statutes, unless BRIGHT HEALTH shows that payment of administrative supervision expenses will have an adverse impact on its financial condition and jeopardize its rehabilitation. Otherwise, BRIGHT HEALTH shall reimburse the OFFICE for any reasonable expenses of supervision and will directly pay all contractors, including any Deputy Supervisor retained by the OFFICE, for assistance with the administrative supervision. The OFFICE agrees to provide notice to Bright Health prior to incurring expenses.

17. BRIGHT HEALTH agrees that the OFFICE and the Department of Financial Services ("Department") may have examiners or other designees present at the offices of BRIGHT HEALTH to obtain independent information. Further, the OFFICE may have examiners or other designees to supervise activities, verify transactions, verify the condition and status of BRIGHT HEALTH and its progress in developing and complying with its Plan, and perform any other duty as designated by the OFFICE. BRIGHT HEALTH shall cooperate with and facilitate the presence and work of such examiners or designees.

18. Administrative supervision is confidential as provided in Section 624.82, Florida Statutes, unless otherwise specified within that statute. The OFFICE finds, and BRIGHT HEALTH agrees, that at this time it is in the best interest of its policyholders and the public to maintain this Consent Order, including drafts and related communications, as confidential pursuant to Section 624.82, Florida Statutes. This finding does not affect the confidentiality of any other orders, notices, correspondence, reports, records, or other information in the possession of the OFFICE relating to the administrative supervision of BRIGHT HEALTH pursuant to Section 624.82(1), Florida Statutes. The appropriateness of confidentiality is being evaluated on an ongoing basis. If at any time the OFFICE, in its sole discretion, finds that it is in the best interest of BRIGHT HEALTH's policyholders and the public, the administrative supervision may become public, pursuant to

Section 624.82(4), Florida Statutes. The OFFICE agrees to notify BRIGHT HEALTH prior to making the administrative supervision public.

19. BRIGHT HEALTH affirms that all explanations, representations, statements, and documents provided to the OFFICE in connection with this Consent Order including all attachments and supplements thereto, are true (or were at the time made) and correct and are material to the issuance of this Consent Order.

20. Any prior Orders, Consent Orders, or corrective action plans that BRIGHT HEALTH has entered into with the OFFICE prior to the issuance of this Consent Order shall remain in full force and effect for BRIGHT HEALTH except where provisions of such Orders, Consent Orders, or corrective action plans have expired; have been superseded by subsequent Orders, Consent Orders, or corrective action plans; or are inconsistent with this Consent Order.

21. Any deadlines, reporting requirements, other provisions, or requirements set forth in this Consent Order may be altered or terminated by written approval of the OFFICE. Such written approval by the OFFICE is subject to statutory or administrative regulation limitations.

22. BRIGHT HEALTH affirms that all requirements set forth herein are material to the issuance of this Consent Order.

23. BRIGHT HEALTH expressly waives its rights to a hearing in this matter, the making of findings of fact and conclusions of law by the OFFICE, and all further and other proceedings herein to which it may be entitled by law or rules of the OFFICE. BRIGHT HEALTH hereby knowingly and voluntarily waives all rights to challenge or contest this Consent Order in any forum available to it, now or in the future, including the rights to any administrative proceeding, state or federal court action, or any appeal of this Consent Order.

24. BRIGHT HEALTH acknowledges that the execution of this Consent Order does not prohibit other administrative action upon the Certificate of Authority of BRIGHT HEALTH deemed

appropriate by the OFFICE in accordance the Florida Insurance Code or with Sections 120.569(2)(n), 120.60(6), and 631.031, Florida Statutes.

25. BRIGHT HEALTH agrees that, upon execution of this Consent Order, failure to adhere to one or more of the terms and conditions contained herein may result in the OFFICE suspending, revoking, or taking other administrative action as it deems appropriate upon BRIGHT HEALTH's Certificate of Authority in this state in accordance with Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

26. BRIGHT HEALTH agrees that it has entered into this Consent Order voluntarily, without coercion from the OFFICE, or any agent, employee, or designee of the OFFICE, and that BRIGHT HEALTH has obtained legal counsel prior to entering into this Consent Order.

27. The parties agree that this Consent Order shall be deemed to be executed when the OFFICE has signed and docketed a copy of this Consent Order bearing the notarized signature of the authorized representative of BRIGHT HEALTH.

WHEREFORE, the agreement between BRIGHT HEALTH INSURANCE COMPANY OF FLORIDA and the OFFICE, the terms and conditions of which are set forth above, is APPROVED. FURTHER, all terms and conditions contained herein to place BRIGHT HEALTH INSURANCE COMPANY OF FLORIDA in administrative supervision are hereby ORDERED. FURTHER, all terms and conditions contained herein are hereby ORDERED.

DONE and ORDERED this 2nd day of September 2022.



*David Altmaier*

David Altmaier, Commissioner  
Office of Insurance Regulation

By execution hereof, BRIGHT HEALTH INSURANCE COMPANY OF FLORIDA consents to entry of this Consent Order, agrees without reservation to all the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind BRIGHT HEALTH INSURANCE COMPANY OF FLORIDA to the terms and conditions of this Consent Order. The undersigned also certifies that they have provided the signature below voluntarily and without coercion, based upon the assistance of legal counsel for BRIGHT HEALTH INSURANCE COMPANY OF FLORIDA.

BRIGHT HEALTH INSURANCE COMPANY OF  
FLORIDA

By: [Signature]

[Corporate Seal]

Name: Jeff Craig  
(Please type or print)

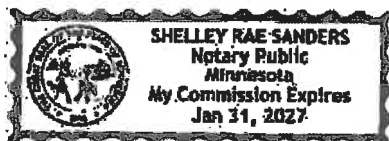
Title: Secretary

Date: 9/2/2022

STATE OF Minnesota  
COUNTY OF Hennepin

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

or ☐ online notarization, this 2 day of September, 2022, by Jeff Craig  
(name of person)  
as Officer for Bright Health Insurance  
(type of authority; e.g., officer, trustee, attorney in fact) Company of Florida  
(company name)



Shelley Sanders  
(Signature of the Notary)

Shelley Sanders  
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known ☒ OR Produced Identification \_\_\_\_\_

Type of identification produced \_\_\_\_\_

My Commission Expires January 31, 2027

**COPIES FURNISHED TO:**

**MICHAEL CARSON,**  
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**FILED**

JAN 13 2023

INSURANCE REGULATION  
Docketed by: 193

**OFFICE OF INSURANCE REGULATION**

IN THE MATTER OF:

CASE NO.: 304072-22-CO

BRIGHT HEALTH INSURANCE COMPANY OF FLORIDA

**FIRST CONSENT ORDER**  
**EXTENDING PERIOD FOR CONFIDENTIAL ADMINISTRATIVE SUPERVISION**

THIS CAUSE came on for consideration as a result of discussions between the FLORIDA OFFICE OF INSURANCE REGULATION ("OFFICE") and BRIGHT HEALTH INSURANCE COMPANY OF FLORIDA ("BRIGHT HEALTH") subsequent to entering into a consent order placing it in confidential administrative supervision for a period of 120 days in Consent Order 299955-22-CO ("Supervision Order"), which was filed on September 2, 2022. Prior to the expiration of that 120-day period, the parties agreed to a 60-day extension. Following a complete review of the entire record, and upon consideration thereof, and otherwise being fully advised in the premises, the OFFICE hereby finds as follows:

1. The OFFICE has jurisdiction over the subject matter and the parties herein.
2. BRIGHT HEALTH is a domestic life and health insurer authorized to transact insurance business in the state of Florida pursuant to a Certificate of Authority issued by the OFFICE, pursuant to Chapter 624, Part III, Florida Statutes.
3. Paragraph 6 of the Supervision Order states, in part, as follows:
  6. BRIGHT HEALTH has been cooperative with the OFFICE and agrees to be placed under administrative supervision for a period of 120 days from the date of execution of this Consent Order and to be subject to the provisions of Sections 624.80-624.87, Florida Statutes. Such administrative supervision

**Exhibit B**

may be extended in 60 day increments at the OFFICE's sole reasonable discretion for as long as is necessary for BRIGHT HEALTH to demonstrate that its Parent has sufficient funding to support the business operations of the insurance companies within the group and satisfy all financial covenants.

4. Administrative supervision of BRIGHT HEALTH is currently set to expire on December 31, 2022.

5. Section 624.81(8), Florida Statutes, provides that the OFFICE "may extend the supervision in increments of 60 days or longer...if conditions justifying supervision exist." The OFFICE has determined that grounds exist to extend the period of administrative supervision of BRIGHT HEALTH.

6. BRIGHT HEALTH agrees that conditions exist that necessitate an additional period of administrative supervision.

7. BRIGHT HEALTH hereby consents to an additional period of administrative supervision of 60 days from January 1, 2023, until March 1, 2023.

8. BRIGHT HEALTH hereby knowingly and voluntarily waives the requirement of written notice under Section 624.81(1), Florida Statutes, and agrees that any timelines outlined in this Consent Order will be binding, notwithstanding any timelines provided for in Section 624.81, Florida Statutes.

9. BRIGHT HEALTH agrees that all terms of the Supervision Order shall apply and remain in full force and effect, except as superseded by this Consent Order.

10. Any prior Orders, Consent Orders, or corrective action plans that BRIGHT HEALTH has entered into with the OFFICE prior to the issuance of this Consent Order shall remain in full force and effect for BRIGHT HEALTH except where provisions of such Orders, Consent Orders, or corrective action plans have expired; have been superseded by subsequent Orders, Consent Orders, or corrective action plans; or are inconsistent with this Consent Order.

11. Any deadlines, reporting requirements, other provisions, or requirements set forth in this Consent Order may be altered or terminated by written approval of the OFFICE. Such written approval by the OFFICE is subject to statutory or administrative regulation limitations.

12. BRIGHT HEALTH agrees that, upon execution of this Consent Order, failure to adhere to one or more of the terms and conditions contained herein may result in the OFFICE suspending, revoking, or taking other administrative action as it deems appropriate upon BRIGHT HEALTH's Certificate of Authority in this state in accordance with Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

13. BRIGHT HEALTH affirms that all representations made herein are true and all requirements set forth herein are material to the issuance of this Consent Order.

14. BRIGHT HEALTH agrees that it has entered into this Consent Order voluntarily, without coercion from the OFFICE, or any agent, employee, or designee of the OFFICE, and that BRIGHT HEALTH has obtained legal counsel prior to entering into this Consent Order.

15. BRIGHT HEALTH expressly waives a hearing in this matter, the making of findings of fact and conclusions of law by the OFFICE, and all further and other proceedings herein to which it may be entitled by law or rules of the OFFICE. BRIGHT HEALTH hereby knowingly and voluntarily waives all rights to challenge or to contest this Consent Order in any forum available to it, now or in the future, including the right to any administrative proceeding, state or federal court action, or any appeal.

16. The parties agree that this Consent Order shall be deemed to be executed when the OFFICE has signed and docketed a copy of this Consent Order bearing the signature of the authorized representative of BRIGHT HEALTH, notwithstanding the fact that the copy may have been transmitted to the OFFICE electronically. Further, BRIGHT HEALTH agrees that the

signature of its authorized representative as affixed to this Consent Order shall be under the seal of a Notary Public:

WHEREFORE, because the FLORIDA OFFICE OF INSURANCE REGULATION has determined that conditions justifying administrative supervision continue to exist, the administrative supervision of BRIGHT HEALTH INSURANCE COMPANY OF FLORIDA is hereby extended for 60 days from January 1, 2023, until March 1, 2023. All terms and conditions contained herein are hereby ORDERED, and all other provisions of Consent Order 299955-22-CO remain unchanged by this Consent Order.

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

DONE and ORDERED this 13<sup>th</sup> day of January, 2023.



Anneke Brangaccio  
Commissioner or Designee  
Office of Insurance Regulation

By execution hereof, BRIGHT HEALTH INSURANCE COMPANY OF FLORIDA consents to entry of this Consent Order, agrees without reservation to all the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind BRIGHT HEALTH INSURANCE COMPANY OF FLOIRDA to the terms and conditions of this Consent Order. The undersigned also certifies that they have provided the signature below voluntarily and without coercion, based upon the assistance of legal counsel for BRIGHT HEALTH INSURANCE COMPANY OF FLORIDA.

BRIGHT HEALTH INSURANCE COMPANY OF  
FLORIDA

By: [Signature]

[Corporate Seal]

Name: Jeff Craig  
(Please type or print)

Title: Secretary

Date: 1/12/23

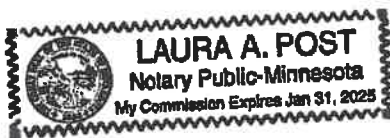
STATE OF Minnesota

COUNTY OF Hennepin

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

or ☐ online notarization, this 12<sup>th</sup> day of January 2023, by Jeff Craig  
(name of person)

as General Counsel for Bright Health Insurance Company of Florida  
(type of authority; e.g., officer, trustee, attorney in fact) (company name)



[Signature]  
(Signature of the Notary)

Laura A. Post  
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification \_\_\_\_\_

Type of identification produced \_\_\_\_\_

My Commission Expires 1/31/25

**COPIES FURNISHED TO:**

**MICHAEL CARSON,**  
**CHIEF EXECUTIVE OFFICER**  
Bright Health Insurance Company of Florida  
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**FILED**

**MAR 01 2023**

**INSURANCE REGULATION**

Docketed by: AKS

**OFFICE OF INSURANCE REGULATION**

**MICHAEL YAWORSKY**  
INTERIM COMMISSIONER

**IN THE MATTER OF:**

**CASE NO.: 306565-23-CO**

**BRIGHT HEALTH INSURANCE COMPANY OF FLORIDA**

**SECOND CONSENT ORDER EXTENDING PERIOD FOR ADMINISTRATIVE SUPERVISION  
AND MODIFYING CONFIDENTIAL TO PUBLIC ADMINISTRATIVE SUPERVISION**

THIS CAUSE came on for consideration as a result of discussions between the FLORIDA OFFICE OF INSURANCE REGULATION ("OFFICE") and BRIGHT HEALTH INSURANCE COMPANY OF FLORIDA ("BRIGHT HEALTH") subsequent to entering into a consent order placing it in confidential administrative supervision for a period of 120 days in Consent Order 299955-22-CO ("Supervision Order"), which was filed on September 2, 2022, attached hereto and incorporated herein as "Exhibit A". On January 12, 2023, confidential administrative supervision of BRIGHT HEALTH was extended until March 1, 2023, in Consent Order 299955-22-CO, attached hereto and incorporated herein as "Exhibit B". Subsequently, the parties have agreed to another 60-day extension. Following a complete review of the entire record, and upon consideration thereof, and otherwise being fully advised in the premises, the OFFICE hereby finds as follows:

1. The OFFICE has jurisdiction over the subject matter and the parties herein.
2. BRIGHT HEALTH is a domestic life and health insurer authorized to transact insurance business in the state of Florida pursuant to a Certificate of Authority issued by the OFFICE, pursuant to Chapter 624, Part III, Florida Statutes.

3. Paragraph 6 of the Supervision Order states, in part, as follows:

BRIGHT HEALTH has been cooperative with the OFFICE and agrees to be placed under administrative supervision for a period of 120 days from the date of execution of this Consent Order and to be subject to the provisions of Sections 624.80-624.87, Florida Statutes. Such administrative supervision may be extended in 60-day increments at the OFFICE's sole reasonable discretion for as long as is necessary for BRIGHT HEALTH to demonstrate that its Parent has sufficient funding to support the business operations of the insurance companies within the group and satisfy all financial covenants.

4. On January 12, 2023, confidential administrative supervision of BRIGHT HEALTH was extended and is currently set to expire on March 1, 2023.

5. Section 624.81(8), Florida Statutes, provides that the OFFICE "may extend the supervision in increments of 60 days or longer...if conditions justifying supervision exist." The OFFICE has determined that grounds exist to extend the period of administrative supervision of BRIGHT HEALTH.

6. Paragraph 18 of the Supervision Order states, in part, as follows:

If at any time the OFFICE, in its sole discretion, finds that it is in the best interest of BRIGHT HEALTH's policyholders and the public, the administrative supervision may become public pursuant to Section 624.82(4), Florida Statutes.

7. Section 624.82(4), Florida Statutes, provides that the OFFICE "may open the proceedings or hearings or make public the notices, correspondence, reports, records, or other information if the office finds that it is in the best interest of the public, the insurer in supervision, or



its insureds"; therefore, pursuant to the terms of the Supervision Order and Section 624.82(4), Florida Statutes, the OFFICE has determined that the Supervision Order should be made public to protect the best interest of the public, the insurer in supervision, or its insureds.

8. BRIGHT HEALTH agrees that conditions exist that necessitate an additional period of administrative supervision and that said supervision shall now be public.

9. BRIGHT HEALTH hereby consents to an additional period of administrative supervision of 60 days from March 1, 2023, until May 1, 2023.

10. BRIGHT HEALTH acknowledges that the OFFICE may refer a company to the Department of Financial Services ("Department"), for the statutory purpose of seeking an Order of Rehabilitation or Liquidation if a domestic insurance company is impaired or insolvent, and Bright Health acknowledges that Department may apply to the Court for an Order of Rehabilitation or Liquidation appointing the Department as Receiver. BRIGHT HEALTH acknowledges and agrees that the entry into the Supervision Order shall not limit the Department's rights pursuant Section 631.051 or 631.061, Florida Statutes.

11. Except as provided in paragraph 12 below, while this supervision is in effect, BRIGHT HEALTH may not, without prior written approval of the OFFICE, engage in any of the actions enumerated in Section 624.83, Florida Statutes.

12. BRIGHT HEALTH shall not waste assets or expend funds in excess of \$10,000 United States Dollars ("USD"), without the prior written consent of the OFFICE. BRIGHT HEALTH may make claims payments to providers and persons covered by BRIGHT HEALTH plans up to \$100,000 USD, without prior approval of the Office; however, the Office may retrospectively review such payments. The Office agrees to review any proposed transaction promptly upon request of BRIGHT HEALTH. If, after approval of a transaction over \$10,000 USD

has been granted by the OFFICE, the OFFICE becomes aware of additional facts or circumstances that materially affect such approval, the OFFICE reserves the right to require such corrective action as it may deem necessary or advisable.

13. In addition, BRIGHT HEALTH shall not increase any officer's or director's compensation above the level they were at as of March 1, 2023, or pay bonuses to any officer, director, or employee without the prior written approval of the OFFICE.

14. The OFFICE shall appoint a Deputy Supervisor pursuant to Section 624.87, Florida Statutes. The Deputy Supervisor shall represent the OFFICE and shall be under the control of the OFFICE. The OFFICE shall negotiate a contract with the Deputy Supervisor. BRIGHT HEALTH shall compensate the OFFICE's Deputy Supervisor for fees and expenses. Further, BRIGHT HEALTH shall provide office space and reasonable accommodations to the Deputy Supervisor. If BRIGHT HEALTH enters into a transaction approved by the OFFICE which reduces the need for on-site supervision, the Deputy Supervisor will visit the BRIGHT HEALTH office on an as-needed basis. BRIGHT HEALTH shall continue to timely provide the Deputy Supervisor with access to electronic records needed to oversee the remaining operations while working off-site.

15. BRIGHT HEALTH shall allow the Deputy Supervisor complete and unrestricted access to all offices maintained, rights of action, books, papers, data processing records, evidences of debt, bank accounts, savings accounts, certificates of deposit, stocks, bonds, debentures and other securities, mortgages, furniture, office supplies and equipment, and all real property of BRIGHT HEALTH, wherever situated, whether in possession of BRIGHT HEALTH or its officers, directors, employees, managers, consultants, trustees, agents, attorneys or affiliates, as provided in Section 624.318, Florida Statutes.

16. BRIGHT HEALTH agrees that the OFFICE may act on its behalf to seek to amend affiliated agreements as deemed necessary by the OFFICE.

17. Any officer, director, manager, trustee, attorney, agent, actuary, broker, employee, independent contractor, consultant or affiliate of BRIGHT HEALTH and any other person who possesses or possessed any executive authority over, or who exercises, or exercised, any control over any segment of the affairs of BRIGHT HEALTH, or the affairs of affiliates of BRIGHT HEALTH, shall fully cooperate with the Deputy Supervisor.

18. BRIGHT HEALTH shall be responsible for administrative supervision expenses pursuant to Section 624.87, Florida Statutes. BRIGHT HEALTH shall reimburse the OFFICE for any reasonable expenses of supervision, and will directly pay all contractors, including any Deputy Supervisor retained by the OFFICE for assistance with the Administrative Supervision. Such reimbursement shall be made bi-weekly or as otherwise directed by the Deputy Supervisor.

19. Any officer, director, manager, trustee, attorney, agent, actuary, broker, employee, independent contractor, consultant or affiliate of BRIGHT HEALTH and any other person who possesses or possessed any executive authority over, or who exercises, or exercised, any control over any segment of the affairs of BRIGHT HEALTH, or the affairs of BRIGHT HEALTH's affiliates, shall not undertake, engage in, commit to, initiate, or continue any activity beyond those that are routine to the day to day conduct of BRIGHT HEALTH's business, without the prior written consent of the Deputy Supervisor (which shall not be unreasonably withheld). This agreement does not prohibit BRIGHT HEALTH from entering into discussions with persons regarding potential financial or business proposals. However, BRIGHT HEALTH and any person acting on BRIGHT HEALTH's behalf must obtain written consent from the Deputy Supervisor or the OFFICE prior to entering into such an agreement. The OFFICE agrees to use its best efforts to

promptly review and respond to any written request by BRIGHT HEALTH to enter into such an agreement.

20. BRIGHT HEALTH agrees that if the OFFICE expends staff time or funds because further proceedings are required to enforce the terms of the Supervision Order or the subsequent Consent Orders extending and modifying the Supervision Order, or if administrative proceedings are initiated by BRIGHT HEALTH regarding this administrative supervision and the OFFICE prevails in such proceedings, BRIGHT HEALTH shall reimburse the OFFICE for reasonable attorney fees and cost. Otherwise, each party to this Consent Order shall bear its own costs and attorney fees.

21. BRIGHT HEALTH hereby knowingly and voluntarily waives the requirement of written notice under Section 624.81(1), Florida Statutes, and agrees that any timelines outlined in this Consent Order will be binding, notwithstanding any timelines provided for in Section 624.81, Florida Statutes.

22. BRIGHT HEALTH agrees that all terms of the Supervision Order shall apply and remain in full force and effect, except as superseded by this Consent Order.

23. Any prior Orders, Consent Orders, or corrective action plans that BRIGHT HEALTH has entered into with the OFFICE prior to the issuance of this Consent Order shall remain in full force and effect for BRIGHT HEALTH except where provisions of such Orders, Consent Orders, or corrective action plans have expired; have been superseded by subsequent Orders, Consent Orders, or corrective action plans; or are inconsistent with this Consent Order.

24. Any deadlines, reporting requirements, other provisions, or requirements set forth in this Consent Order may be altered or terminated by written approval of the OFFICE. Such written approval by the OFFICE is subject to statutory or administrative regulation limitations.

25. BRIGHT HEALTH agrees that, upon execution of this Consent Order, failure to adhere to one or more of the terms and conditions contained herein may result in the OFFICE suspending, revoking, or taking other administrative action as it deems appropriate upon BRIGHT HEALTH's Certificate of Authority in this state in accordance with Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

26. BRIGHT HEALTH affirms that all representations made herein are true and all requirements set forth herein are material to the issuance of this Consent Order.

27. BRIGHT HEALTH agrees that it has entered into this Consent Order voluntarily, without coercion from the OFFICE, or any agent, employee, or designee of the OFFICE, and that BRIGHT HEALTH has obtained legal counsel prior to entering into this Consent Order.

28. BRIGHT HEALTH expressly waives a hearing in this matter, the making of findings of fact and conclusions of law by the OFFICE, and all further and other proceedings herein to which it may be entitled by law or rules of the OFFICE. BRIGHT HEALTH hereby knowingly and voluntarily waives all rights to challenge or to contest this Consent Order in any forum available to it, now or in the future, including the right to any administrative proceeding, state or federal court action, or any appeal.

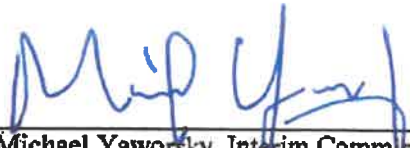
29. The parties agree that this Consent Order shall be deemed to be executed when the OFFICE has signed and docketed a copy of this Consent Order bearing the signature of the authorized representative of BRIGHT HEALTH, notwithstanding the fact that the copy may have been transmitted to the OFFICE electronically. Further, BRIGHT HEALTH agrees that the signature of its authorized representative as affixed to this Consent Order shall be under the seal of a Notary Public.

WHEREFORE, because the FLORIDA OFFICE OF INSURANCE REGULATION has determined that conditions justifying administrative supervision continue to exist and that administrative supervision should be made public to protect the best interest of the public, the insurer in supervision, or its insureds, the administrative supervision of BRIGHT HEALTH INSURANCE COMPANY OF FLORIDA is hereby extended for 60 days from March 1, 2023, until May 1, 2023, and is modified from confidential administrative supervision to public administrative supervision. All terms and conditions contained herein are hereby ORDERED, and all other provisions of Consent Order 299955-22-CO remain unchanged by this Consent Order.

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

DONE and ORDERED this 1<sup>st</sup> day of March, 2023.



  
Michael Yaworsky, Interim Commissioner  
Office of Insurance Regulation

By execution hereof, BRIGHT HEALTH INSURANCE COMPANY OF FLORIDA consents to entry of this Consent Order, agrees without reservation to all the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind BRIGHT HEALTH INSURANCE COMPANY OF FLOIRDA to the terms and conditions of this Consent Order. The undersigned also certifies that they have provided the signature below voluntarily and without coercion, based upon the assistance of legal counsel for BRIGHT HEALTH INSURANCE COMPANY OF FLORIDA.

BRIGHT HEALTH INSURANCE COMPANY OF FLORIDA

By: [Signature]

[Corporate Seal]

Name: Jeff Craig  
(Please type or print)

Title: Secretary

Date: 2/28/2023

STATE OF Minnesota

COUNTY OF Hennepin

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

or ☐ online notarization, this 28 day of February 2023, by Jeff Craig

as Secretary for Bright Health Insurance Company of Florida  
(type of authority; e.g., officer, trustee, attorney in fact) (name of person) (company name)



Shelley Sanders  
(Signature of the Notary)

Shelley Sanders  
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification \_\_\_\_\_

Type of identification produced \_\_\_\_\_

My Commission Expires January 31, 2027

**COPIES FURNISHED TO:**

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*[Faint, illegible text, possibly a signature or stamp]*