



FILED

MAR 26 2021

INSURANCE REGULATION
Docketed by: 

OFFICE OF INSURANCE REGULATION

DAVID ALTMAIER
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 278315-21-CO

Application for the Direct Acquisition
of SOLSTICE BENEFITS, INC., and the Indirect
Acquisition of SOLSTICE HEALTHPLANS, INC.,
by SPECIALTY BENEFITS, LLC

CONSENT ORDER

THIS CAUSE came on for consideration upon the filing by SPECIALTY BENEFITS, LLC (“APPLICANT”), with the FLORIDA OFFICE OF INSURANCE REGULATION (“OFFICE”) of an application for the approval of the direct acquisition of 100% of the issued and outstanding voting securities of SOLSTICE BENEFITS, INC. (“SOLSTICE BENEFITS”), and the indirect acquisition of SOLSTICE HEALTHPLANS, INC. (“SOLSTICE HEALTHPLANS”) (together, “SOLSTICE LICENSEES”), pursuant to Sections 628.461 and 628.4615, Florida Statutes (“Application”). Following a complete review of the entire record, and upon consideration thereof, and being otherwise 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. APPLICANT has applied for and, subject to the present and continuing satisfaction of the requirements, terms, and conditions established herein, has satisfactorily met all conditions precedent to the granting of approval by the OFFICE for the proposed direct acquisition of SOLSTICE BENEFITS, and the indirect acquisition of SOLSTICE HEALTHPLANS by APPLICANT.

3. APPLICANT is a Delaware-domiciled limited liability company with its principal place of business located in Minnetonka, Minnesota. APPLICANT is a direct, wholly owned subsidiary of UNITED HEALTHCARE SERVICES, INC., a Minnesota corporation (“UHS”), and an indirect, wholly owned subsidiary of UNITEDHEALTH GROUP, INCORPORATED (“UHG”), a Delaware corporation. APPLICANT is the parent company of several legal entities through which UHG offers or manages some of its dental, vision, hearing, and financial protection products.

4. SOLSTICE BENEFITS is a Florida domestic Life & Health insurer that is authorized to transact the Accident & Health (450) line of business in this state through a subsisting Certificate of Authority issued by the OFFICE. SOLSTICE BENEFITS’ voting securities are owned 80% by LEONARD WEISS, DMD (“DR. WEISS”), and 20% by MICHAEL FLAX, DDS (“DR. FLAX”), both individuals.

5. SOLSTICE HEALTHPLANS is a licensed Pre-Paid Limited Health Service Organization domiciled in the state of Florida and is subject to the jurisdiction and regulation of the OFFICE, pursuant to Chapter 636, Florida Statutes. SOLSTICE HEALTHPLANS is a wholly owned subsidiary of SOLSTICE BENEFITS.

6. The Application represents that a Stock Purchase Agreement (“Agreement”), dated October 16, 2020, was entered into among APPLICANT, SOLSTICE BENEFITS, DR. FLAX, DR. WEISS, and others who are not associated with the acquisition of SOLSTICE LICENSEES. Pursuant to the Agreement, APPLICANT will directly acquire 100% of the issued and outstanding voting securities of SOLSTICE BENEFITS, and indirectly acquire its wholly owned subsidiary, SOLSTICE HEALTHPLANS (“Transaction”).

7. APPLICANT shall submit, or cause to be submitted, to the OFFICE complete background information for Gail R. Wilensky, including Biographical Affidavit, supplemental information, third-party verification report produced by an approved vendor, and fingerprint cards within 90 days of execution of this Consent Order.

8. If the OFFICE determines that any individual for whom APPLICANT is required to submit background information as part of this Application is unacceptable under the Florida Insurance Code, APPLICANT, SOLSTICE LICENSEES, UHS, or UHG shall cause the removal of said person within 30 days of notice from the OFFICE and replace them with a person or persons acceptable to the OFFICE, or shall undertake such other corrective action as directed by the OFFICE. Failure to act would constitute an immediate serious danger to the public and the OFFICE may take administrative action as it deems appropriate upon the Certificate of Authority of SOLSTICE LICENSEES without further proceedings, pursuant to Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

9. APPLICANT represents that, except as disclosed in the Application, there are no present plans or proposals to make any substantive changes to SOLSTICE LICENSEES, including liquidating them, selling any of their assets (except for transactions such as investment portfolio transactions in the ordinary course of business), merging or consolidating them with any person or persons, or making any other major change in the business operations, management, or corporate structure of SOLSTICE LICENSEES.

10. APPLICANT and SOLSTICE LICENSEES affirm that there are no agreements, written or oral, related to the Application, Agreement, or Transaction that have not been provided to the OFFICE.

11. SOLSTICE BENEFITS agrees that it will not make any material change to its Plan of Operation without prior written approval from the OFFICE.

12. SOLSTICE BENEFITS shall at all times maintain capital and surplus as required by Sections 624.408, and 624.4085, Florida Statutes. APPLICANT, SOLSTICE BENEFITS, UHS, and UHG agree that failure to maintain compliance at all times with these capital and surplus requirements would constitute an immediate serious danger to the public and that the OFFICE may immediately suspend, revoke, or take other administrative action as it deems appropriate upon the Certificate of Authority of SOLSTICE BENEFITS without further proceedings, pursuant to Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

13. SOLSTICE HEALTHPLANS shall at all times maintain capital and surplus as required by Section 636.045, Florida Statutes. APPLICANT, SOLSTICE HEALTHPLANS, UHS, and UHG agree that failure to maintain compliance at all times with these capital and surplus requirements would constitute an immediate serious danger to the public and that the OFFICE may immediately suspend, revoke, or take other administrative action as it deems appropriate upon the license of SOLSTICE HEALTHPLANS without further proceedings, pursuant to Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

14. APPLICANT and SOLSTICE LICENSEES will cooperate with financial and market conduct examinations conducted by the OFFICE, and make their accounts, records, documents, files, information, assets, and matters in their possession or control freely available to the OFFICE, its examiners, or its investigators, in accordance with Chapter 624, Part II, and Section 636.039, Florida Statutes.

15. SOLSTICE LICENSEES shall notify the OFFICE within 10 business days of any breach, non-performance of, or default under, any servicing agreement with any reinsurer,

affiliates, or third party vendors providing services, directly or indirectly, to SOLSTICE LICENSEES that could result in or cause a material adverse change in the financial condition, business performance, operations, or property of SOLSTICE LICENSEES.

16. SOLSTICE BENEFITS shall, no later than 15 days after the end of the month in which the Transaction occurs, file an update to their Holding Company Registration Statement as required by Section 628.801, Florida Statutes, and Rule 690-143.046, Florida Administrative Code.

17. Pursuant to Sections 628.461(3)(f)-(g), Florida Statutes, APPLICANT, UHS, UHG, SOLSTICE BENEFITS, or any other party meeting the definition of “ultimate controlling person” as defined in Section 628.801(2), Florida Statutes, shall file with the OFFICE the Enterprise Risk Report required by Section 628.801(2), Florida Statutes, and any and all additional information necessary to evaluate the enterprise risk of SOLSTICE BENEFITS and SOLSTICE BENEFITS’ affiliates.

18. Pursuant to Section 624.10(3), Florida Statutes, APPLICANT is a controlling entity and, as such, shall comply with Section 628.461(12)(b), Florida Statutes, should APPLICANT choose to divest its controlling interest in SOLSTICE BENEFITS.

19. Any material changes to the information submitted in the Application filing shall be reported to the OFFICE for its review prior to the closing date. APPLICANT, SOLSTICE LICENSEES, UHS, or UHG acknowledge that if the OFFICE determines that any of these reported changes would have a material negative impact to the financial condition or operation of SOLSTICE LICENSEES, the OFFICE may rescind its approval as granted in the Consent Order by written notice to APPLICANT or SOLSTICE LICENSEES.

20. Within 10 business days after the Transaction is completed, APPLICANT shall submit, or cause to be submitted, to the OFFICE all documents evidencing completion of the Transaction not already provided to the OFFICE. Further, APPLICANT shall notify the OFFICE within 3 business days of a final determination that the Transaction will not occur.

21. All parties to this Consent Order acknowledge that completion of the Transaction is subject to obtaining any other requisite regulatory or governmental approvals and that this Consent Order shall be deemed null and void if the Transaction is not completed within 60 days of the execution of this Consent Order. Accordingly, if APPLICANT fails to receive any other requisite approvals or the Transaction is not completed timely, the provisions of this Consent Order shall terminate automatically and have no effect.

22. Any prior orders, consent orders, or corrective action plans that SOLSTICE LICENSEES have entered into with the OFFICE prior to the issuance of this Consent Order shall apply and remain in full force and effect for SOLSTICE LICENSEES, except where provisions of such orders, consent orders, or corrective action plans have expired; have been superseded by subsequent orders, or consent orders; or are inconsistent with this Consent Order.

23. APPLICANT, UHS, UHG, and SOLSTICE LICENSEES affirm and represent that all information, explanations, representations, statements, and documents provided to the OFFICE in connection with this Application, including all attachments and supplements thereto, are true and correct and fully describe all transactions, agreements, ownership structures, understandings, and control with regard to the acquisition and future operations of SOLSTICE LICENSEES. APPLICANT, UHS, UHG, and SOLSTICE LICENSEES further agree and affirm that said information, explanations, representations, statements, and documents, including all

attachments and supplements thereto, are material to the issuance of this Consent Order and have been relied upon by the OFFICE in its determination to enter into 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 approval must be requested in writing prior to any proposed deviation from the terms of this Consent Order.

25. APPLICANT, UHS, UHG, and SOLSTICE LICENSEES expressly waive 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 they may be entitled to by law or rules of the OFFICE. APPLICANT, UHS, UHG, and SOLSTICE LICENSEES hereby knowingly and voluntarily waive all rights to challenge or to contest this Consent Order, in any forum available to them, now or in the future, including the rights to any administrative proceeding, state or federal court action, or any appeal.

26. APPLICANT, UHS, UHG, and SOLSTICE LICENSEES affirm that all requirements set forth herein are material to the issuance of this Consent Order.

27. APPLICANT, UHS, UHG, and SOLSTICE LICENSEES agree that, upon execution of this Consent Order, failure to adhere to one or more of the terms and conditions contained herein may result, without further proceedings, in the OFFICE suspending, revoking, or taking other administrative action as it deems appropriate upon the license or Certificate of Authority of the SOLSTICE LICENSEES in the state of Florida in accordance with Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

28. Each party to this action shall bear its own costs and fees.

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 signatures of the authorized representatives of APPLICANT, UHS, UHG, and SOLSTICE LICENSEES.

WHEREFORE, subject to the terms and conditions set forth above, the FLORIDA OFFICE OF INSURANCE REGULATION hereby APPROVES the direct acquisition of SOLSTICE BENEFITS, INC., and the indirect acquisition of SOLSTICE HEALTHPLANS, INC., by SPECIALTY BENEFITS, LLC, pursuant to Sections 628.461 and 628.4615, Florida Statutes.

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

DONE and ORDERED this 26 day of March, 2021.



David Altmaier

David Altmaier, Commissioner
Florida Office of Insurance Regulation

By execution hereof, SPECIALTY BENEFITS, LLC, consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind SPECIALTY BENEFITS, LLC, to the terms and conditions of this Consent Order.

SPECIALTY BENEFITS, LLC.

By: James F. Bedard

Print Name: James F. Bedard

Title: Chief Financial Officer

Date: 3/24/21

STATE OF Connecticut

COUNTY OF Hartford

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

or online notarization, this 24 day of March 2021, by James F. Bedard
(name of person)
as Chief Financial Officer for United Healthcare
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

Theresa J. Levesque
(Signature of the Notary)

Theresa J Levesque
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires: October 31, 2025

Theresa J Levesque
Notary Public, State of Connecticut
My Commission Expires Oct. 31, 2025

By execution hereof, SOLSTICE BENEFITS, INC., consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind SOLSTICE BENEFITS, INC., to the terms and conditions of this Consent Order.

SOLSTICE BENEFITS, INC.
By: [Signature]
Print Name: EDWARD A. WEISS
Title: President / CEO
Date: 3/25/2021

STATE OF Florida
COUNTY OF Broward

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 25 day of March 2021, by Leonard Weiss as Pres. / CEO for Solstice Benefits Inc.
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

[Signature]
(Signature of the Notary)

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known OR Produced Identification _____
Type of Identification Produced _____
My Commission Expires: _____



By execution hereof, SOLSTICE HEALTHPLANS, INC., consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind SOLSTICE HEALTHPLANS, INC., to the terms and conditions of this Consent Order.

SOLSTICE HEALTHPLANS, INC.

By: [Signature]

Print Name: Leonard A. Weiss

Title: CEO

Date: 3/25/2021

STATE OF Florida
COUNTY OF Broward

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

or online notarization, this 25 day of March 2021, by Leonard Weiss

as President/CEO for Solstice Healthplans Inc
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

[Signature]
(Signature of the Notary)

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known OR Produced Identification

Type of Identification Produced _____

My Commission Expires: _____



By execution hereof, UNITED HEALTHCARE SERVICES, INC., consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind UNITED HEALTHCARE SERVICES, INC., to the terms and conditions of this Consent Order.

UNITED HEALTHCARE SERVICES, INC.

By: [Signature]

Print Name: Thomas E. Roos

Title: Chief Financial officer

Date: 3/24/2021

STATE OF MINNESOTA

COUNTY OF HENNEPIN

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 24 day of March 2021, by Thomas E. Roos (name of person) as Chief Financial officer for United Health Group (company name) (type of authority; e.g., officer, trustee, attorney in fact)



[Signature]
(Signature of the Notary)

Christina M. Steigauf
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known OR Produced Identification

Type of Identification Produced _____

My Commission Expires: January 31, 2025

By execution hereof, LEONARD WEISS, DMD, consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions and shall be bound by all provisions herein.

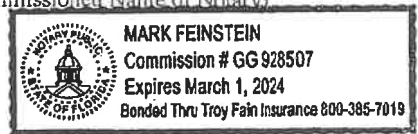
Leonard Weiss
LEONARD WEISS, DMD
Date: 3/25/2021

STATE OF Florida
COUNTY OF Broward

The foregoing instrument was acknowledged before me by means of physical presence
or online notarization, this 25 day of March 2021, by Leonard Weiss
as owner for Solstice Benefits Inc
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

Mark Feinstein
(Signature of the Notary)

(Print, Type or Stamp Commissioned Name of Notary)



Personally Known OR Produced Identification

Type of Identification Produced _____

My Commission Expires: _____

By execution hereof, MICHAEL FLAX, DDS, consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein.

[Signature]
MICHAEL FLAX, DDS

Date: 3/25/2021

STATE OF Fla. DA
COUNTY OF Broward

The foregoing instrument was acknowledged before me by means of physical presence
or online notarization, this 25 day of March 2021, by Michael Flax
as owner for Solstice benefits
(type of authority; e.g., officer, trustee, attorney in fact) (name of person)
(company name)

[Signature]
(Signature of the Notary)

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known OR Produced Identification
Type of Identification Produced _____
My Commission Expires: _____



COPIES FURNISHED TO:

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