

BEFORE THE INSURANCE DEPARTMENT
OF THE
COMMONWEALTH OF PENNSYLVANIA

In Re:	:	Pursuant to Sections 1401, 1402,
	:	and 1403 of the Insurance
Application of IBC MH, LLC and Vista	:	Holding Companies Act, Article
Holdco, LLC Requesting Exemption	:	XIV of the Insurance Company
from the Requirements of 40 P.S.	:	Law of 1921, Act of May 17, 1921,
§ 991.1402 for the Restructuring of their	:	P.L. 682, <u>as amended</u>, 40 P.S.
Holding Company System that Includes	:	§§ 991.1401, 991.1402, and
Vista Health Plan, Inc.	:	991.1403
	:	
	:	
	:	Order No.ID-RC-23-12

DECISION AND ORDER

AND NOW, on this 29th day of December, 2023, Diana Sherman, Deputy Insurance Commissioner of the Commonwealth of Pennsylvania (“Deputy Commissioner”), hereby makes the following Decision and Order:

Pursuant to the Insurance Holding Companies Act and in consideration of the documents, presentations and reports received, as well as other inquiries and studies as permitted by law, the Deputy Commissioner hereby makes the following findings of fact:

FINDINGS OF FACT

Identity of the Parties

1. Vista Health Plan, Inc. (“Vista”) is a domestic for-profit health maintenance organization organized under the laws of the Commonwealth of Pennsylvania with its statutory home office located in Philadelphia, Pennsylvania.
2. Vista Holdco, LLC (“Holdco”) is a recently formed limited liability company organized under the laws of the state of Delaware with its principal place of business in Philadelphia, Pennsylvania.

3. IBC MH LLC (“IBC MH”) is a limited liability company organized under the laws of Delaware with its principal place of business in Philadelphia, Pennsylvania.
4. IBC MH currently owns ten common ownership units in Holdco, with such ten Units comprising all of the issued and outstanding Units of Holdco, and 100% of the issued and outstanding stock of Vista.
5. Independence Health Group, Inc. (“IHG”) is a non-profit, non-member corporation organized under the laws of the Commonwealth of Pennsylvania with its principal place of business in Philadelphia, Pennsylvania.
6. IHG currently indirectly owns 100% of the issued and outstanding stock of IBC MH.
7. IHG is the ultimate controlling person of Vista.

Filing of the Application

8. On July 25, 2023, the Insurance Department of the Commonwealth of Pennsylvania (“Department”) received an initial request (which together with all material received subsequently is collectively referenced as “Application”) from IHG for approval to restructure their holding company system that includes Vista.
9. The Insurance Holding Companies Act, Article XIV of the Insurance Company Law of 1921, Act of May 17, 1921, P.L. 682, as amended, 40 P.S. §§ 991.1401 et seq. (“Insurance Holding Companies Act”), provides that all transactions affecting the control of a domestic insurer must be filed with the Department for approval or disapproval.
10. The Application was filed pursuant to Section 1402 of the Insurance Holding Companies Act.
11. Section 1402(g) of the Insurance Holding Companies Act provides for the exemption from the requirements of Section 1402(b) if the transaction:
 - a. does not have the effect of changing or influencing the control of a domestic insurer, or
 - b. is otherwise not comprehended within the purposes of the section.

The Transaction

12. As described in the Application, IBC MH will contribute 100% of the issued and outstanding stock of Vista to Holdco.
13. As described in the Application, IHG will remain as the ultimate controlling person of Vista.
14. The Insurance Commissioner of the Commonwealth of Pennsylvania (“Commissioner”) has delegated to the Deputy Insurance Commissioner the authority to approve an application that would not have the effect of changing or influencing the control of a domestic insurer.
15. The Deputy Commissioner finds that the transaction described in the Application would not have the effect of changing or influencing the control of a domestic insurer.
16. If any of the above Findings of Fact are determined to be Conclusions of Law, they shall be incorporated in the Conclusions of Law as if fully set forth therein.

CONCLUSIONS OF LAW

1. Under Section 1402 of the Insurance Holding Companies Act, the Department has jurisdiction to review and approve the acquisition of controlling securities of a domestic insurer if, after consummation thereof, the acquiring person would be in control of the domestic insurer.
2. The Insurance Commissioner has delegated authority to approve an application that would not have the effect of changing or influencing the control of a domestic insurer to the Deputy Insurance Commissioner.
3. The Deputy Commissioner has jurisdiction over the parties and subject matter of this proceeding.
4. The Application was properly filed pursuant to and in accordance with Section 1402(g) of the Insurance Holding Companies Act.
5. The restructuring of the holding company system proposed in the Application is not being contemplated to change or influence the ultimate control of Vista, and, therefore, is exempt from the requirements of Section 1402(b) of the Insurance Holding Companies Act.
6. If any of the above Conclusions of Law are determined to be Findings of Fact, they shall be incorporated in the Findings of Fact as if fully set forth therein.

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ORDER

Upon consideration of the foregoing, the Deputy Insurance Commissioner of the Commonwealth of Pennsylvania hereby makes the following Order:

An approving determination for the application of IBC MH, LLC and Vista Holdco, LLC requesting exemption from the requirements of 40 P.S. § 991.1402 for the restructuring of its holding company system that includes Vista Health Plan, Inc., as set forth in the Application, is hereby granted.

This Order is effective immediately and valid for ninety days, provided there are no material changes to the representations provided in the application.




Diana L. Sherman
Deputy Insurance Commissioner
Office of Corporate and Financial Regulation