

Examination Warrant Number 20-04818-16590-A1

**Report of Examination of**

**Oscar Health Plan of Pennsylvania, Inc.  
Harrisburg, Pennsylvania**

**As of December 31, 2020**

*For Informational Purposes Only*

TABLE OF CONTENTS

Subject	Page
Salutation .....	1
Scope of Examination .....	1
History .....	2
Management and Control:	
Capitalization .....	2
Stockholders .....	3
Insurance Holding Company System .....	3
Board of Directors .....	4
Committees .....	4
Officers .....	5
Corporate Records:	
Minutes .....	5
Articles of Incorporation .....	5
By-Laws .....	6
Service and Operating Agreements .....	6
Reinsurance:	
Ceded .....	6
Assumed .....	9
Territory and Plan of Operations .....	9
Significant Operating Trends .....	9
Pending Litigation .....	10
Financial Statements:	
Comparative Statement of Assets, Liabilities, Surplus and Other Funds .....	11
Comparative Statement of Income .....	12
Comparative Statement of Capital and Surplus .....	13
Comparative Statement of Cash Flow .....	14
Summary of Examination Changes .....	15
Notes to Financial Statements:	
Assets:	
Investments .....	15
Liabilities:	
Policyholder and Claim Reserves .....	15
Subsequent Events .....	16
Recommendations:	
Prior Examination .....	16
Current Examination .....	16
Conclusion .....	17

Harrisburg, Pennsylvania  
July 8, 2022

Honorable Melissa L. Greiner  
Deputy Insurance Commissioner  
Commonwealth of Pennsylvania  
Insurance Department  
Harrisburg, Pennsylvania

Dear Madam:

In accordance with instructions contained in Examination Warrant Number 20-04818-16590-A1, dated August 12, 2020, an examination was made of

**Oscar Health Plan of Pennsylvania, Inc., NAIC Code: 16590**

a Pennsylvania domiciled, single-state, stock for profit Health Maintenance Organization (“HMO”); hereinafter referred to as the “Company”. The Company’s main administrative office and primary location of books and records is located at 75 Varick Street, 5th Floor, New York, New York. The examination was conducted offsite due to COVID-19 restrictions.

A report of this examination is hereby respectfully submitted.

**SCOPE OF EXAMINATION**

The Pennsylvania Insurance Department (“Department”) has performed an examination of the Company, which was last examined as an organizational exam as of June 5, 2019. This examination covered the nineteen month period from June 6, 2019 through December 31, 2020.

Work programs employed in the performance of this examination were designed to comply with the standards promulgated by the Department and the National Association of Insurance Commissioners (“NAIC”) *Financial Condition Examiners Handbook* (“Handbook”).

The Handbook requires that the Department plan and perform the examination to evaluate the financial condition, assess corporate governance, identify current and prospective risks of the Company, evaluate system controls and procedures used to mitigate those risks, and review subsequent events. An examination also includes identifying and evaluating significant risks that could cause an insurer’s surplus to be materially misstated both currently and prospectively.

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. If, during the course of the examination an adjustment is identified, the impact of such adjustment will be documented separately following the Company’s financial statements.

## Oscar Health Plan of Pennsylvania, Inc.

-2-

This examination report includes significant findings of fact, in accordance with 40 P.S. § 323.5(a), and general information about the Company and its financial condition. There may be other items identified during the examination that, due to their nature (e.g., subjective conclusions, proprietary information, etc.), are not included within the examination report but separately communicated to other regulators and/or the Company.

For each year of the examination period, the certified public accounting firm of PricewaterhouseCooper LLC (“CPA”) has provided an unmodified opinion based on statutory accounting principles. Relevant work performed by the CPA, during its annual audit of the Company, was reviewed during the examination and incorporated into the examination workpapers.

The following companies were examined at the same time during the above examination:

<b>Company</b>	<b>State</b>	<b>NAIC Code</b>
Oscar Insurance Company	TX	15777
Oscar Health Plan, Inc.	AZ	16337
Oscar Insurance Company of Florida	FL	16374
Oscar Health Plan of Georgia	GA	16634
Oscar Health Plan of North Carolina, Inc.	NC	16852
Oscar Insurance Corporation of New Jersey	NJ	15585
Oscar Garden State Insurance Corporation	NJ	16231
Oscar Insurance Corporation	NY	15281
Oscar Health Plan of New York, Inc.	NY	16597
Oscar Insurance Corporation of Ohio	OH	16202
Oscar Buckeye State Insurance Corporation	OH	16416

### **HISTORY**

The Company was incorporated on January 16, 2019, and licensed by the Department on July 25, 2019, and commenced business on January 1, 2020.

The Company is currently authorized to transact those classes of insurance as an HMO described in 40 P.S. § 1554. As of December 31, 2020, the Company only writes the Comprehensive (hospital and medical) line of business.

### **MANAGEMENT AND CONTROL**

#### **CAPITALIZATION**

As of December 31, 2020, the Company’s total capital was \$3,344,739 consisting of 1,000 capital shares of issued and outstanding common stock with a par value of \$0.01 per share amounting to \$10; \$4,799,990 in paid in and contributed surplus; \$1,100,000 in surplus notes; and (\$2,282,526) in unassigned funds (surplus).

# Oscar Health Plan of Pennsylvania, Inc.

Pursuant to 31 Pa Code § 301.121(b)(2), an operational HMO, engaged in the type of business for which it is licensed is required to maintain a total minimum net worth equal to the greater of \$1,000,000 or three (3) months uncovered health care expenditures for Pennsylvania enrollees as reported on the most recent financial statement filed with the Commissioner. The Company has met this requirement throughout the examination period.

## STOCKHOLDERS

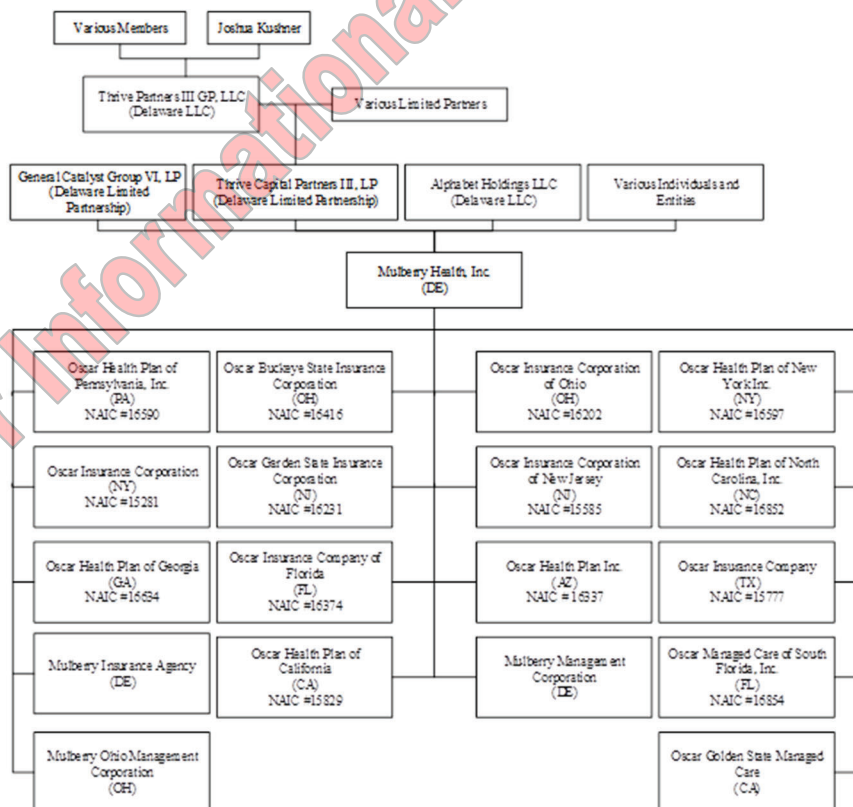
As of December 31, 2020, the Company was wholly owned and controlled 100% by Mulberry Health Inc.

During the examination period the Company paid no dividends or distributions.

## INSURANCE HOLDING COMPANY SYSTEM

The Company meets the requirements for filing an Insurance Holding Company System Registration Statement, in accordance with 40 P.S. §991.1404. A registration statement was properly filed with the Department for each year of the examination period. Mulberry Health Inc. files the registration statement on behalf of the Company.

Joshua Kushner is named as the ultimate controlling person of its holding company system. The Mulberry Health Inc., organizational chart is included below:



## BOARD OF DIRECTORS

Management of the Company is vested in its Board of Directors (“Board”), which was comprised of the following members as of the December 31, 2020:

<b>Name and Address</b>	<b>Principal Occupation</b>
Mario Schlosser New York, New York	Chief Executive Officer Mulberry Management Corporation
Dr. Dennis Weaver Brentwood, Tennessee	Chief Clinical Officer Mulberry Management Corporation
Jed Feldman New York, New York	General Counsel Thrive Capital Management, LLC
Siddhartha Sankaran New York, New York	Chief Financial Officer Mulberry Management Corporation

As per the Company’s By-Laws the Board shall consist of a minimum of 3 directors and no more than 12 members. Once a director is elected, they shall continue in office until their successor has been elected and qualified. The Company requires all employees, officers, and Board members to complete an annual compliance disclosure 30 days after hire to disclose any potential conflicts of interest and annually afterwards.

An HMO, in accordance with 40 P.S. § 1557, is required to have at least one-third of the membership of the Board of Directors to be subscribers of the organization. The subscriber director shall be elected in accordance with the corporation’s By-Laws. As of December 31, 2020, the Company was not in compliance with 40 P.S. § 1557.

*It is recommended that the Company elect directors to the Board that meet the requirements of 40 P.S. § 1557.*

## COMMITTEES

As of December 31, 2020, the following committees were appointed by the Board and serving in accordance with the Company’s By-Laws:

<b>Compliance Committee</b>	<b>Finance/Investment Committee</b>
Joel Klein (Chair) Dennis Weaver, M.D. Mario Schlosser	Siddhartha Sankaran (Chair) Mario Schlosser Dennis Weaver, M.D.

Mulberry Health Inc. has an Audit Committee at the holding company level in which Mario Schlosser and Kareem Zaki were elected members during the period of examination. Since the as of date of this examination, Mulberry Health, Inc has appointed new individuals to their audit committee and now meets all independence requirements.

## OFFICERS

As of December 31, 2020, the following officers were appointed and serving in accordance with the Company's By-Laws:

<b>Name</b>	<b>Title</b>
Mario Schlosser	Chief Executive Officer
Joel Klein	Chief Policy and Strategy Officer
Dennis Weaver, M.D.	Chief Clinical Officer
Siddhartha Sankaran	Chief Financial Officer
Meghan Joyce	Chief Operating Officer
Isaac Councill	Chief Technology Officer
Harold Greenberg	Secretary

## CORPORATE RECORDS

### MINUTES

A compliance review of corporate minutes revealed the following:

- The Annual Meetings of the Company's shareholder was not held in compliance with its By-Laws.
- The shareholders did not elect directors at such meetings in compliance with the By-Laws.
- The shareholders have not ratified the prior year's actions of the officers and directors.
- Quorums were present at all directors' meetings.
- The Company's investment transactions are approved quarterly by the Board.
- All directors attended Board meetings regularly.
- The Company's Board minutes show approval of its reinsurance contracts.

***It is recommended that the Company hold and document the annual shareholder meeting in compliance with 15 Pa. C.S.A. § 1766 and article 2.1 of their By-Laws.***

Subsequent to this finding, evidence of proper shareholder meetings in 2021 was provided.

### ARTICLES OF INCORPORATION

There were no changes to the Company's Articles of Incorporation during the examination period.

## BY-LAWS

There were no changes to the Company's By-Laws during the examination period.

## SERVICE AND OPERATING AGREEMENTS

The Company is party to various service and operating agreements, which includes intercompany and related-party agreements. The following significant agreements were in place during the examination period:

### Tax Allocation Agreement

Effective January 1, 2019 and amended October 26, 2020, the Company entered into a Tax Allocation Agreement with Mulberry Health Inc., a Delaware corporation and its subsidiaries. Under the terms of agreement, Mulberry Health Inc. prepares the consolidated federal income tax return and pays the consolidated income tax liability on behalf of all participants for each taxable year. The agreement was approved by the Mulberry Health Inc. Board of Directors when the Company was formed.

### Management Agreement

Effective October 21, 2019, the Company entered into an Administrative Service Agreement with Mulberry Management Corporation (MMC), a Delaware corporation. Under the terms of agreement, MMC provides certain services, including administrative support, financial services, legal affairs, property management, accounting and records, accounts payable, engineering, payroll, human resources, equipment, software and intellectual property, facilities and associated services, investment services, overhead, and other financial responsibilities and functions mutually agreed upon by the parties. The Company shall receive an invoice within 30 days of the close of each month and payment is due within 15 days after receipt. The agreement complies with 40 P.S. § 322.2 and meets the fair and reasonable standards in 40 P.S. § 991.1405(a)(1)(i).

### Capital Maintenance Agreement

Effective May 7, 2019, the Company entered into a Capital Maintenance Agreement with Mulberry Health Inc. ("Guarantor"). Under the terms of the agreement the Company shall maintain an acceptable RBC Level and such additional surplus as the Commissioner requires. At the end of any quarter during the term of the Agreement, in which the RBC Level is less than an acceptable level the Guarantor shall contribute additional capital to the Company in the form of investments which are admitted assets under the investment laws.

## REINSURANCE

### CEDED

The Company's ceded premium for 2020 was \$12,600,330 which is approximately 348% of its surplus. The Company's net amount recoverable for 2020 was approximately \$2,838,988.



## Oscar Health Plan of Pennsylvania, Inc.

-7-

As of December 31, 2020, the Company had \$2,838,988 outstanding due recoverables from its reinsurers.

### Odyssey Reinsurance Company

Effective January 1, 2020, the Company entered into a Medical Per Person Excess of Loss Reinsurance Agreement with various companies. The term of the contract is for 1 year and shall automatically renew each year for one year after expiry of the initial term.

The Company's retention and the reinsurance limits are as follows:

<u>Layer</u>	<u>Company's Retention</u>	<u>Reinsurance Limits</u>	<u>Business Covered</u>
First	\$500,000	\$500,000 per covered person	Individual HealthCare
Second	\$1,000,000	40% of cumulative claims of any one covered person in excess of \$1,000,000	Individual HealthCare

The Company's reinsurance intermediary, AON Benfield Inc., (AON) is licensed by the Department as required by 40 P.S. § 321.2(a). The Company has a properly executed written agreement with AON and it is written in accordance with 40 P.S. § 321.3.

### AXA France VIE

Effective January 1, 2020, the Company entered into a Quota Share Reinsurance Agreement with AXA France VIE. The term of the contract is for 1 year and shall automatically renew each year for one year after expiry of the initial term.

The Company's retention and the reinsurance limits are as follows:

<u>Company's Retention</u>	<u>Reinsurance Limits</u>	<u>Business Covered</u>
The Company is obligated to retain for its own account the share of the Policies not reinsured by the Reinsurer. The foregoing shall in no way apply to any excess of loss coverage covering the Policies in the excess of the limit of liability of USD 500,000 at 100% per person per year including the Medical Per Person Excess of Loss Reinsurance Agreement and any replacement thereof.	100% of reinsurer's premium per subscription year under this agreement and under each of the companion agreements, on a consolidated basis.	All individual health policies

## Oscar Health Plan of Pennsylvania, Inc.

-8-

### Berkshire Hathaway Specialty

Effective January 1, 2019, the Company entered into a Quota Share reinsurance Agreement with Berkshire Hathaway Specialty. The contract terminates on December 31, 2020, unless there are extensions thereof, if any, by the Reinsurer.

The Company's retention and the reinsurance limits are as follows:

<u>Year</u>	<u>Company's Retention</u>	<u>Reinsurance Limits</u>	<u>Business Covered</u>
2019	<p>In respect of all policies of the Subject Business written by the Reinsured that is not subject to the AXA quota share reinsurance agreement entered into with the Reinsured for calendar year 2019 (the "Inuring AXA Ceded Reinsurance") and the Odyssey Re excess of loss reinsurance agreement entered into with the Reinsured for calendar year 2019 (the "Inuring Ceded Odyssey Re XOL Reinsurance"), the reinsurance provided by the Reinsurer under this Agreement shall apply on a 50% quota share basis; and</p> <p>In respect of all policies of the Subject Business written by the Reinsured that is subject to the Inuring AXA Ceded Reinsurance and/or the Inuring Ceded Odyssey Re XOL Reinsurance, as applicable, in each case, for calendar year 2019, the reinsurance provided by the Reinsurer under this Agreement shall apply on a 50% quota share basis to all such policies of the Subject Business retained net and un-reinsured by the Reinsured after such cession under the Inuring AXA Ceded Reinsurance and/ or the Inuring Ceded Odyssey Re XOL Reinsurance, as applicable.</p>	N/A	Individual and Small Group
2020	<p>In respect of all policies of the Subject Business written by the Reinsured that is subject to any excess of loss reinsurance agreement for calendar year 2020 and, if applicable, the remainder of the Agreement Period that may be entered into from time to time with the Reinsured, such excess of loss reinsurance to be substantially similar to, in coverage and amount, as the Inuring Ceded Odyssey Re XOL Reinsurance that was in place for calendar year 2019 (such excess of loss reinsurance, the "Other</p>	N/A	Individual and Small Group

## Oscar Health Plan of Pennsylvania, Inc.

-9-

Inuring Ceded XOL Reinsurance"), the reinsurance provided by the Reinsurer under this Agreement shall apply on a 50% quota share basis to all such policies of the Subject Business retained net and un-reinsured by the Reinsured *after* such cession under the Other Inuring Ceded XOL Reinsurance.

All reinsurance contracts contain the proper insolvency and arbitration clauses.

### ASSUMED

The Company did not assume any business during the examination period.

### TERRITORY AND PLAN OF OPERATIONS

The Company is licensed to do business in Pennsylvania and writes only comprehensive (Health and Medical). The below chart represents the first year the Company wrote business.

Line of Business December 31, 2020	Direct and Assumed Premiums	Ceded Premium	Net Premium	Percentage of Total
Comprehensive (hospital and medical)	\$ 16,573,063	\$ 12,600,330	\$ 3,972,733	100%
Totals	\$ 16,573,063	\$ 12,600,330	\$ 3,972,733	100%

### SIGNIFICANT OPERATING TRENDS

The following table indicates the growth of the Company during the period covered by this examination:

	2020	2019
Admitted Assets	\$ 19,089,863	\$ 1,932,773
Liabilities	\$ 15,745,124	\$ 41,670
Capital and Surplus Funds	\$ 3,344,739	\$ 1,891,103
Net Premium Income	\$ 3,972,733	\$ 0
Benefits to Members	\$ 11,580,348	\$ 0
Net Investment Income	\$ (1,634)	\$ 279
Net Income	\$ (466,294)	\$ (1,008,897)

### **PENDING LITIGATION**

As of the date of this examination report, Company Management attested that the Company was not involved in any litigation and was not aware of any threatened litigation that could have a material adverse effect on its financial condition.

### **FINANCIAL STATEMENTS**

The financial condition of the Company, as of December 31, 2020, and the results of its operations for the two-year period under examination, are reflected in the following statements\*:

Comparative Statement of Assets, Liabilities, Surplus and Other Funds;  
Comparative Statement of Income;  
Comparative Statement of Capital and Surplus;  
Comparative Statement of Cash Flow

\*Note: Some financials shown in this report may contain immaterial differences to those reported in the Company's filed Annual Statements due to rounding errors.

For Informational Purposes Only

**Comparative Statement of Assets, Liabilities, Surplus and Other Funds  
As of December 31, 2020**

	2020	2019
Cash, cash equivalents and short-term investments	13,377,472	1,525,606
Subtotal, cash and invested assets	<u>13,377,472</u>	<u>1,525,606</u>
Premiums and considerations	50,208	0
Amounts recoverable from reinsurers	2,838,988	0
Other amounts receivable under reinsurance contracts	2,652,565	0
Receivable from parent, subsidiaries and affiliates	0	407,167
Health care and other amounts receivable	<u>170,630</u>	<u>0</u>
Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts	19,089,863	1,932,773
Total	<u>\$ 19,089,863</u>	<u>\$ 1,932,773</u>
Claims unpaid	\$ 1,171,507	\$ 0
Accrued medical incentive pool and bonus amounts	392,573	0
Unpaid claims adjustment expenses	48,183	0
Aggregate health policy reserves	8,057,035	0
Aggregate health claim reserves	293,761	0
Premiums received in advance	392,608	38,735
General expenses due or accrued	598,980	2,935
Ceded reinsurance premiums payable	3,512,181	0
Amounts due to parent, subsidiaries and affiliates	550,942	0
Reinsurance in unauthorized and certified companies	<u>727,354</u>	<u>0</u>
Total liabilities	<u>15,745,124</u>	<u>41,670</u>
Common capital stock	10	10
Gross paid in and contributed surplus	4,799,990	1,799,990
Surplus notes	1,100,000	1,100,000
Unassigned funds (surplus)	<u>(2,555,261)</u>	<u>(1,008,897)</u>
Total capital and surplus	<u>3,344,739</u>	<u>1,891,103</u>
Totals	<u>\$ 19,089,863</u>	<u>\$ 1,932,773</u>

**Comparative Statement of Income  
For the Year Ended December 31, 2020**

	2020	2019
Net premium income	\$ 3,972,733	\$ 0
Total revenues	<u>3,972,733</u>	<u>0</u>
Hospital/medical benefits	8,805,816	0
Other professional services	478,816	0
Emergency room and out-of-area	120,903	0
Prescription drugs	1,782,240	0
Incentive pool, withhold adjustments and bonus amounts	392,573	0
Subtotal (hospital and medical)	<u>11,580,348</u>	<u>0</u>
Net reinsurance recoveries	10,355,402	0
Total hospital and medical	<u>1,224,946</u>	<u>0</u>
Claims adjustment expenses, including cost containment expenses	485,563	0
General administrative expenses	1,512,254	1,009,176
Increase in reserves for life accident and health contracts	<u>941,895</u>	<u>0</u>
Total underwriting deductions	<u>4,164,658</u>	<u>1,009,176</u>
Net underwriting gain or (loss)	<u>(191,925)</u>	<u>(1,009,176)</u>
Net investment income earned	<u>(1,634)</u>	<u>279</u>
Net investment gains or (losses)	<u>(1,634)</u>	<u>279</u>
Net income or (loss) before federal income taxes	<u>(193,559)</u>	<u>(1,008,897)</u>
Federal income taxes incurred	272,735	0
Net income (loss)	<u>\$ (466,294)</u>	<u>\$ (1,008,897)</u>

For Informational Purposes Only

**Comparative Statement of Capital and Surplus  
For the Year Ended December 31, 2020**

	<b>2020</b>	<b>2019</b>
Capital and surplus, December 31, previous year	\$ 1,891,103	\$ 0
Net income or (loss)	(466,294)	(1,008,897)
Change in nonadmitted assets	(352,716)	0
Change in unauthorized and certified reinsurance	(727,354)	0
Change in surplus notes	0	1,100,000
Capital changes:		
Paid in	0	10
Surplus adjustments:		
Paid in	3,000,000	1,799,990
Net change in capital and surplus	\$ 1,453,636	1,891,103
Capital and surplus, December 31, current year	\$ 3,344,739	\$ 1,891,103

For Informational Purposes Only

**Comparative Statement of Cash Flow  
For the Year Ended December 31, 2020**

	2020	2019
<b>Cash from Operations</b>		
Premiums collected net of reinsurance	\$ 12,370,349	\$ 38,735
Net investment income	(1,634)	279
Total	<u>12,368,715</u>	<u>39,014</u>
Benefit and loss related payments	3,679,069	0
Commissions, expenses paid and aggregate write-ins for deductions	(162,220)	1,413,408
Total deductions	<u>3,516,849</u>	<u>1,413,408</u>
Net cash from operations	<u>8,851,866</u>	<u>(1,374,394)</u>
<b>Cash from Investments</b>		
Net cash from investments	<u>0</u>	<u>0</u>
<b>Cash from Financing and Miscellaneous Sources</b>		
Cash provided (applied):		
Surplus notes, capital notes	0	1,100,000
Capital and paid in surplus, less treasury stock	3,000,000	1,800,000
Net cash from financing and miscellaneous sources	<u>3,000,000</u>	<u>2,900,000</u>
<b>Reconciliation of cash and short-term investments:</b>		
Net change in cash and short-term investments	11,851,866	1,525,606
Cash and short-term investments:		
Beginning of the year	1,525,606	0
End of the year	<u>\$ 13,377,472</u>	<u>\$ 1,525,606</u>

For Informational Purposes Only



## SUMMARY OF EXAMINATION CHANGES

There were no examination changes to the preceding financial statements as filed with regulatory authorities over the review period.

## NOTES TO FINANCIAL ITEMS

### ASSETS

#### INVESTMENTS

As of December 31, 2020, the Company's invested assets were distributed as follows:

	<b>Amount</b>	<b>Percentage</b>
Cash	13,377,472	100.0%
Totals	<u>\$ 13,377,472</u>	<u>100.0%</u>

The Company had no bonds or short-term investment's during the examination period.

### LIABILITIES

#### POLICYHOLDER AND CLAIM RESERVES

The Company reported claims unpaid of \$1,171,507, unpaid claims adjustment expenses of \$48,183, aggregate health policy reserves of \$8,057,035, and Health care and other amounts receivable of \$170,630 in its December 31, 2020, annual statement.

Fausto Palazzetti, FSA, MAAA, Chief Actuary, and employee of Mulberry Management was retained by the Company to render an opinion with regard to loss reserves, actuarial liabilities and related items. Mr. Palazzetti was appointed on February 03, 2020, and issued a Statement of Actuarial Opinion concluding, in his opinion, the amounts carried in the balance sheet on the account of the items identified:

- A. Are in accordance with accepted actuarial standards consistently applied and are fairly stated in accordance with sound actuarial principles,
- B. Are based on actuarial assumptions relevant to contract provisions and appropriate to the purpose for which the statement was prepared,
- C. Meet the requirements of the Insurance Laws and regulations of the State of Pennsylvania, and are at least as great as the minimum aggregate amounts required by any state,
- D. Make a good and sufficient provision for all unpaid claims and other actuarial liabilities of the organization under the terms of its contracts and agreements,

- E. Are computed on the basis of assumptions and methods consistent with those used in computing the corresponding items in the annual statement of the preceding year-end, and
- F. Include appropriate provision for all actuarial items that ought to be established.

Based on the procedures performed and the results obtained by Matthew Richard, ASA, MAAA, CEBS, Actuary for the Texas Department of Insurance, the examination team obtained sufficient documentation to support the conclusion that the Company's carried loss and LAE reserve amounts are reasonably stated as of December 31, 2020.

### SUBSEQUENT EVENTS

Subsequent to the examination period the Company has had four separate requests for capital infusion from their parent company Oscar Health Inc. totaling \$4.5 million.

The Department is monitoring the impact of the COVID-19 global pandemic. The Department recognizes that COVID-19 could have a significant financial and operational impact on all of its domestic insurers, including the Company. As such, the Department will continue to monitor and share information with the Company as appropriate related to COVID-19 developments.

On January 4, 2021, Mulberry Health Inc. changed its name to Oscar Health Inc.

### RECOMMENDATIONS

#### PRIOR EXAMINATION

This is the first full examination of the Company. The prior examination was an organizational exam.

#### CURRENT EXAMINATION

As a result of the current examination, the following recommendations are being made:

1. *It is recommended that Oscar Health Plan of PA elect directors to the Board that meet the requirements of 40 P.S. § 1557. (See "Board of Directors", page 4)*
2. *It is recommended that Oscar Health Plan of PA hold and document the annual shareholder meetings in compliance with 15 Pa. C.S.A. § 1766 and article 2.1 of their By-Laws. (See "Corporate Records", page 5)*

### CONCLUSION

As a result of this examination, the financial condition of Oscar Health Plan of Pennsylvania, Inc., as of December 31, 2020, was determined to be as follows:

	<b>Amount</b>	<b>Percentage</b>
Admitted assets	\$ 19,089,863	100.0 %
Liabilities	\$ 15,745,124	82.5 %
Capital and Surplus	3,344,739	17.5 %
Total liabilities, capital and surplus	\$ 19,089,863	100.0 %

Since the previous organization examination, made as of June 5, 2019, the Company's assets increased by \$17,289,863 its liabilities increased by \$15,745,124 and its surplus increased by \$1,544,739.

This examination was conducted by Jordan Fulton, CFE.

Respectfully submitted,

*Matthew Milford*

Matthew C. Milford, CFE  
Director  
Bureau of Financial Examinations

*William M. Fedak*

William Fedak, CFE  
Examination Manager

*Jordan Fulton*

Jordan Fulton, CFE  
Examiner-in-Charge