
**COMMONWEALTH OF MASSACHUSETTS**

**OFFICE OF CONSUMER AFFAIRS AND BUSINESS REGULATION**

**DIVISION OF INSURANCE**

***REPORT OF EXAMINATION OF THE***

# TUFTS HEALTH PUBLIC PLANS, INC.

**Canton, Massachusetts**

**As of December 31, 2024**

**NAIC GROUP CODE 4742**

**NAIC COMPANY CODE 14131**

**EMPLOYER ID NUMBER 80-0721489**

TUFTS HEALTH PUBLIC PLANS, INC.

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**COMMONWEALTH OF MASSACHUSETTS**
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**MICHAEL T. CALJOUW**
COMMISSIONER

May 28, 2026

The Honorable Michael T. Caljouw
Commissioner of Insurance
Commonwealth of Massachusetts
Division of Insurance
One Federal Street, Suite 700
Boston, MA 02110-2012

Honorable Commissioner:

Pursuant to your instructions and in accordance with Massachusetts General Laws, Chapter 176G, Section 10, and other applicable statutes, an examination has been made of the financial condition and affairs of

**TUFTS HEALTH PUBLIC PLANS, INC.**

at its home office located at One Wellness Way, Canton, MA, 02021-1166. The examination was conducted remotely. The following report thereon is respectfully submitted.

## SCOPE OF EXAMINATION

Tufts Health Public Plans, Inc. ("THPP" or "Company") was last examined as of December 31, 2020, by the Massachusetts Division of Insurance ("Division"). The current examination was also conducted by the Division and covers the four-year period from January 1, 2021, through December 31, 2024, including any material transactions and/or events occurring subsequent to the examination date and noted during the course of this examination. This was a coordinated examination, in which Massachusetts was the lead and facilitating state, and Connecticut was the only participating state.

Concurrent with this examination, the following insurance affiliates in the Point32Health, Inc. ("Point32Health" or "Group") were also examined and separate Reports of Examination have been issued:

Harvard Pilgrim Health Care, Inc. ("HPHC")
Harvard Pilgrim Health Care of New England ("HPHC-NE")
HPHC Insurance Company, Inc. ("HPIC")
Tufts Associated Health Maintenance Organization, Inc. ("TAHMO")
Tufts Insurance Company ("TICO")

The examination was conducted in accordance with standards and procedures established by the National Association of Insurance Commissioners ("NAIC") Financial Condition (E) Committee and prescribed by the current NAIC Financial Condition Examiners Handbook ("Handbook"), the examination standards of the Division and with Massachusetts General Laws. The Handbook requires that we plan and perform the examination to evaluate the financial condition and identify current and prospective risks of the Company by obtaining information about the Company, including corporate governance, identifying and assessing inherent risks within the Company, and evaluating system controls and procedures used to mitigate those risks.

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.

This examination report includes significant findings of fact, as mentioned in the Massachusetts General Laws, Chapter 176G, Section 10, 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.

The Company is audited annually by Ernst and Young ("EY"), an independent certified public accounting firm. The firm expressed unqualified opinions on the Company's financial statements for calendar years 2021 through 2024. A review and use of the Certified Public Accountants' work papers were made to the extent deemed appropriate and effective.

The INS Companies ("INS") was engaged by the Division to assist in the examination by performing certain examination procedures at the direction of and under the overall management of the Division's examination staff. The assistance included a review of accounting records, information systems, investments and actuarially determined loss and loss adjustment expense reserves, as well as other significant actuarial estimates.

## SUMMARY OF SIGNIFICANT FINDINGS OF FACT

There were no significant findings identified during this examination nor during the prior examination as of December 31, 2020.

## COMPANY HISTORY

THPP, formerly known as Network Health, LLC, has been licensed as a Massachusetts domestic health maintenance organization ("HMO") since November 2011. Network Health, LLC was formed in May 2011 by TAHMO for the purpose of purchasing the assets and liabilities of Network Health, Inc. from Cambridge Health Alliance.

On September 28, 2016, Tufts Health Plan, Inc. ("THPI"), an insurance holding company and the ultimate controlling person, was formed as a not-for-profit Massachusetts organization. Effective October 1, 2017, THPI assumed control of TAHMO. In conjunction with the formation of THPI, TAHMO distributed its ownership of the Company to THPI, resulting in TAHMO and THPP becoming direct wholly owned subsidiaries of THPI. As of September 24, 2020, THPI was renamed Health Plan Holdings, Inc. ("HPHI"). As of the examination date, THPP does not own any direct subsidiary.

In 2021 THPP received capital contributions from its parent, Point32Health, Inc., in the amount of $50 million.

In 2024, THPP received another $32,999,991 capital contributions from Point32Health, Inc. THPP then paid $50 million extraordinary dividends to Point32Health, Inc. The dividend was paid on June 17, 2024, upon appropriate approval from the Division.

## MANAGEMENT AND CONTROL

### Board of Directors Minutes

The minutes of meetings for the Point32Health Board of Directors ("Board") and its committees and the Company's Board of Directors for the period under examination were read and they indicated that all meetings were held in accordance with the Company's bylaws and the laws of the Commonwealth of Massachusetts. Activities of the Committees were ratified at the meetings of the Board.

The Tufts Health Public Plans, Inc. Board generally schedules 4-5 regular meetings per year. The boards of Point32Health, Inc., Harvard Pilgrim Health Care, Inc., Tufts Associated Health Maintenance Organization, Inc., and Tufts Health Public Plans, Inc. are mirror boards comprised of the same directors. The meetings run concurrent with the Point32Health, Inc. board meeting and the minutes reflect the concurrent meetings of the Boards of Point32Health, Inc., Harvard Pilgrim Health Care, Inc., Tufts Associated Health Maintenance Organization, Inc., and Tufts Health Public Plans, Inc.

Articles of Organization and Bylaws

The THPP articles of organization effective July 1, 2014, were reviewed, and there were no changes during the examination. The bylaws were amended July 1, 2021, and December 17, 2021, due to an address change.

Board of Directors

The bylaws state that the affairs of the Company shall be managed by the Board, who shall have and may exercise all the powers of the Company, except for those powers reserved by the bylaws and Articles of Organization for the ultimate parent company Point32Health, Inc. In accordance with the bylaws, the affairs of the Company shall be managed by the Directors who shall have and may exercise all the powers of the Company. The Board of the Company shall be comprised of up to fifteen voting Directors. Such persons elected as Directors by the Company's Board shall serve for staggered terms.

The members of the Board at December 31, 2024, are as follows:

| Director | Title |
|---|---|
| Eileen Auen | Executive Board Chair |
| Elizabeth Bierbower | Retired, Former Segment President, Humana |
| Gaurov Dayal, M.D. | CEO, MedForth Group |
| Michael McColgan | Retired, Former Partner Pricewaterhouse Coopers, LLP |
| Raymond Pawlicki | Retired SVP & CIO, Biogen |
| Bertram Scott | Retired, SVP of Population Health Novant Health, Inc. |
| Michael J. Shea | Retired – EVP & CFO, Mac-Gray Corporation |
| Greg Shell Sr. | Partner, Goldman Sachs |
| Michael Tarnoff, M.D. | Retired, Former CEO, Tufts Medical Center |
| Greg Tranter | Retired, Former EVP, CIO, COO, The Hanover Insurance Group |
| Todd Whitbeck | CFO, The SEER Group |
| Hedwig Veith Whitney, Esq | Retired, SVP of Human Resources, Aspen Technology |

At December 31, 2024, the composition of the Board is in compliance with the Company's bylaws and the General Laws of Massachusetts.

Committees of the Board of Directors

Per the bylaws, the Board may appoint one or more committees and delegate to any such committee or committees any or all of the powers of the Directors, except those which by law, the Articles of Organization or bylaws the Board is prohibited from delegating. The bylaws identify eight standing Board committees: Audit and Compliance Committee, Governance Committee, Finance Committee, Integration and Technology ("IT") Committee, Human Resources Committee, Executive Committee, Investment Committee and Quality and Healthcare Services Committee. Each standing committee is governed by a written Board approved Charter and maintains a work plan that aligns with oversight and reporting responsibilities delineated in the Charter. The duties of each committee are as described in its Charter or as otherwise directed by the Board. The Board may appoint and convene ad hoc committees.
As of December 31, 2024, the Company did not have its own Board committees but designated the duties and responsibilities to Point32Health's Board committees. The following are Board committees and their respective members of Point32Health:

| **Audit & Compliance** | **Human Resources** | **Finance** | **Governance** |
|---|---|---|---|
| Gaurov Dayal, MD | Eileen Auen | Bertram Scott | Eileen Auen |
| Michael McColgan | Elizabeth Bierbower | Michael Shea | Bertram Scott |
| Michael Shea | Michael McColgan | Greg Tranter | Greg Tranter |
| Todd Whitbeck | Hedy Veith Whitney | Todd Whitbeck | |

| **Executive** | **Integration & Technology** | **Quality and Healthcare Services** | **Investment** |
|---|---|---|---|
| Eileen Auen | Elizabeth Bierbower | Gaurov Dayal, MD | Bertram Scott |
| Micheal McColgan | Raymond Pawlicki | Raymond Pawlicki | Michael Shea |
| Bertram Scott | Greg Shell | Michael Tarnoff, MD | Todd Whitbeck |
| Greg Tranter | Michael Tarnoff, MD | Hedy Veith Whitney | |
| Todd Whitbeck | Greg Tranter | | |
| Hedy Veith Whitney | | | |
| Gaurov Dayal, MD | | | |

In April 2023, the Board created an IT related Ad Hoc Committee but dissolved it in September of that same year. In February 2025, the Board formed the Turnaround Plan Ad Hoc Committee to oversee the results of the Company's financial condition.

Officers

The officers of the Board and the Company shall be a Chair of the Board, Vice Chair of the Board, CEO, President, Treasurer, Clerk, and such other officers, if any, as the Directors may determine. The Board may, by specific resolution, empower the CEO, the President or a committee to appoint any subordinate officers or agents. A person may hold more than one office at the same time.

The officers of the Company as of December 31, 2024, are as follows:

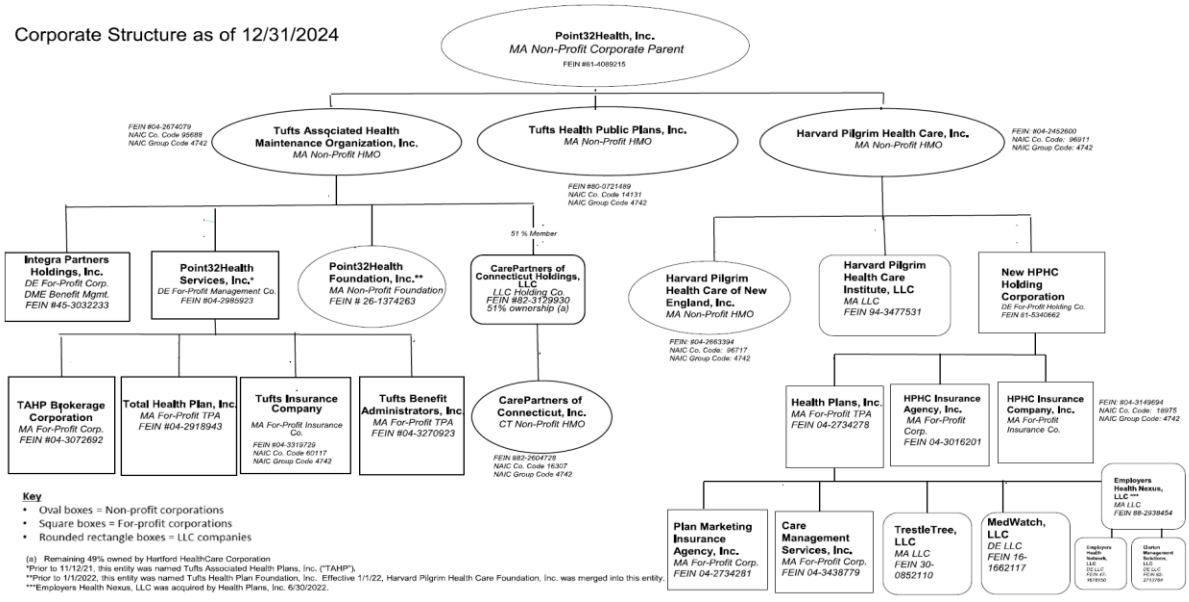
| Officer | Title |
|---|---|
| Robert Scott Walker | President and Chief Financial Officer |
| Mark Porter | Treasurer |
| Susan Kee ESQ | Clerk/Secretary |
| Eileen Auen | Board Chair |
| Bertram Scott | Board Vice Chair, Lead Director |
| Greg Shell Sr. | Board Vice Chair |

Affiliated Companies

The Company is a member of a holding company system and is subject to the registration requirements of Massachusetts General Law, Chapter 175, Section 206C, Chapter 176G, Section 28 and Regulation 211 CMR 7.00. Point32Health, Inc. is the "ultimate controlling person" of the holding company system.

Organization Chart

The following organizational chart illustrates the holding company system as of the examination date:




Transactions and Agreements with Subsidiaries and Affiliates

*Management Services Agreement*

Effective March 29, 2021, HPHC entered into a Management Services Agreement with the following affiliates: TAHMO, THPP, HPHC-NE, HPIC, Health Plans, Inc. ("HPI"), Tufts

Associated Health Plans, Inc. ("TAHP"-now known as Point32Health Services, Inc.), Health Plan Holdings, Inc. ("HPHI"-now known as Point32Health, Inc.), Harvard Pilgrim Health Care Institute, LLC ("HPHCI"), Harvard Pilgrim Health Care Foundation ("HPHCF"), HPHC Insurance Agency, Inc. ("HPIA"), Total Health Plan, Inc. ("THPI"), Tufts Benefit Administrators, Inc. ("TBA"), TAHP Brokerage Corporation ("TAHPBC"), Tufts Health Plan Foundation, Inc. ("THPF"), and Integra Partners Holdings, Inc. ("IPH"), collectively refer to as "Service Recipients." According to the terms of the agreement, HPHC can provide Service Recipients with management, administrative, marketing and clerical services suitable to the operations of Service Recipients.

HPHC shall charge Service Recipients each month, as compensation for the administrative services provided under this agreement, a fee equal to the amount of direct and indirect costs of services incurred by HPHC on any Service Recipient's behalf, based on a defined fee allocation methodology that is consistent with the U.S. Transfer Pricing Regulations under Section 482 of the Code. Intercompany balances are settled monthly, following the close of the month.

This agreement was amended and restated on January 9, 2026.

Effective March 29, 2021, TAHP entered into a similar Management Services Agreement with the following affiliates: TAHMO, HPHC, THPP, HPHC-NE, and HPIC. This agreement was amended on April 27, 2022.

Effective March 11, 2025, TAHMO entered into First Amended and Restated Management Services Agreement with the following affiliates: Point32Health Services, Inc., HPHC, THPP, HPHC-NE, Point32Health, Inc., HPIC, Point32Health Foundation, IPH, HPIA, HPI, TBA, TAHPBC, and Total Health Plan, Inc. The term of this agreement is similar to the above Management Services Agreements.

*Intercompany Loan Agreement*

An Intercompany Loan Agreement was entered into as of July 25, 2023, between THPP ("Lender") and HPHC ("Borrower"). The loans shall not exceed at any one time an aggregate outstanding principal amount of $70 million plus accrued interest.

*Intercompany Reconciliation and Settlement Agreement*

Effective March 29, 2021, the Intercompany Reconciliation and Settlement Agreement is entered into by and among Health Plan Holdings, Inc. ("HPHI") and the following affiliates: HPHC, HPHC-NE, HPIC, HPHCF, HPHCI, HPIA, New HPHC Holding Corporation, HPI, Medwatch, LLC, Trestle Tree, LLC, Plan Marketing Agency, Inc., Care Management Services, Inc., TAHMO, THPP, TAHP, THPI, TBA, TICO, TAHPBC, THPF, and IPH, collectively refer to as the "Companies." With respect to financial transactions between the Companies that are in the ordinary course of business or otherwise approved by the respective Companies, it is agreed that all such transactions between the Companies shall be reconciled at least quarterly, or in accordance with any agreements in place between them to the extent such agreements require reconciliation more frequently than quarterly. The Companies further agree that in the event a reconciliation

requires a settlement payment between any or all of the Companies, such payment shall be made within ninety (90) days of the reconciliation.

*Administrative Services Agreement*

Effective January 1, 2018, an Administrative Network Services Agreement was made and entered into by Integra Partners, LLC ("Integra") and the following Point32Health, Inc. companies: THPP, TAHMO, THPI, TBA, and HPHC-NE, collectively referred to as "Plan". Pursuant to the terms of the agreement, Plan arranges for the provision of health services to members and Integra is engaged in the business of administering a network of DMEPOS providers in Plans' service area.

*Guaranty Agreement*

TAHMO also entered into a Guaranty Agreement with THPP effective October 1, 2017, when THPP desired to obtain a Certificate of Authority from the Massachusetts Division of Insurance. The agreement indicates that TAHMO will guarantee THPP's obligations pursuant to Massachusetts Statutes 211 CMR Sections 25.01 and 43.07.

*Unlimited Medical Excess of Loss Reinsurance Contract*

Effective as of July 1, 2019, the Company entered into an Unlimited Medical Excess of Loss Reinsurance Contract with Tufts Insurance Company ("TICO"). Pursuant to the terms of the contract, TICO agrees to indemnify the Company in respect of the liability that may accrue to the Company as a result of Loss Incurred, each Covered Person, under Plans classified by the Company as Rhode Island Medicaid Plans. THPP is responsible for 100% of its Ultimate Net Loss in respect of Losses Incurred for each Covered Person that does not exceed the Company's retention of $2,000,000. TICO shall be liable in respect of Losses Incurred, each Covered Person, for the Ultimate Net Loss over and above the Company's Retention of the Ultimate Net Loss in respect of Losses Incurred, each Covered Person.

## TERRITORY AND PLAN OF OPERATION

THPP is contracted by the Massachusetts Executive Office of Health and Human Services ("EOHHS") and the Centers for Medicare and Medicaid ("CMS") to provide coverage for the Massachusetts Medicare, Medicaid and the State's Children's Health Insurance programs ("CHIP") population, as well as the Commonwealth Health Insurance Connector Authority to provide Qualified Health Plans. THPP entered a contract with the Rhode Island Executive Office of Health and Human Services to provide Medicaid Managed Care Services.

In Massachusetts, the Medicaid programs include Medicaid Managed Care ("Mass Health") and OneCare Plan. The OneCare Plan is a demonstration program initiative that integrates Mass Health and CMS to integrate delivery to dual eligible, Medicare and Medicaid eligible members. The Rhode Island Medicaid Managed Care product is Rhode Island Together (Rite Care).

The Company is currently licensed in Massachusetts and Rhode Island. The Company reported $2.52 billion in direct written premiums. $2.42 billion of direct written premiums were written in Massachusetts.

Treatment of Policyholders – Market Conduct

During the course of the examination, a general review was made of the manner in which the Company conducts its business practices and fulfills its contractual obligations to members and claimants. This review was limited in nature and was substantially narrower than a full scope market conduct examination. No significant adverse practices were identified.

## REINSURANCE

*Reinsurance Assumed*

The Company did not assume any business from either affiliate or unaffiliated entities as of the examination date.

*Reinsurance Ceded*

Effective as of July 1, 2019, the Company entered into an Unlimited Medical Excess of Loss Reinsurance Contract with Tufts Insurance Company ("TICO"). Pursuant to the terms of the contract, TICO agrees to indemnify the Company in respect of the liability that may accrue to the Company as a result of Loss Incurred, each Covered Person, under Plans classified by the Company as Rhode Island Medicaid Plans. THPP is responsible for 100% of its Ultimate Net Loss in respect of Losses Incurred for each Covered Person that does not exceed the Company's retention of $2,000,000. TICO shall be liable in respect of Losses Incurred, each Covered Person, for the Ultimate Net Loss over and above the Company's Retention of the Ultimate Net Loss in respect of Losses Incurred, each Covered Person. Total ceded premiums at December 31, 2024, were $58,323.

## FINANCIAL STATEMENTS

The following financial exhibits are based on the statutory financial statements prepared by management and filed by the Company with the Division and present the financial condition of the Company for the period ending December 31, 2024. The financial statements are the responsibility of Company management.

Statement of Assets, Liabilities, Capital and Surplus as of December 31, 2024

Statement of Income for the Year Ended December 31, 2024

Reconciliation of Capital and Surplus for Each Year in the Four-Year Period Ended December 31, 2024

## Statement of Assets, Liabilities, Capital and Surplus
## As of December 31, 2024

| Assets | Per Annual Statement |
|---|---|
| Bonds | $301,227,459 |
| Preferred stocks | $2,999,991 |
| Common stocks | 250,463,686 |
| Cash, cash equivalents and short-term investments | (31,484,103) |
| Other invested assets | 71,076,603 |
| Receivables for securities | 5,483 |
| Subtotals, cash and invested assets | 594,289,119 |
| Investment income due and accrued | 2,410,012 |
| Premiums and considerations: | |
| Uncollected Premiums and agents balances | 22,082,781 |
| Accrued retrospective premium and contracts subject to redetermination | 181,847,609 |
| Amounts receivable relating to uninsured plans | 34,295,271 |
| Receivables from parent, subsidiaries and affiliates | 60,605,762 |
| Health care and other amounts receivable | 95,876,386 |
| Total assets | $991,406,940 |
| **Liabilities** | |
| Claims unpaid | $213,313,385 |
| Accrued medical incentive pool and bonus amounts | 30,142,331 |
| Unpaid claims adjustment expenses | 2,024,842 |
| Aggregate health policy reserves | 367,102,503 |
| Premiums received in advance | 8,659,592 |
| General expenses due or accrued | 39,371,445 |
| Amounts withheld or retained for the account of others | 801,814 |
| Amounts due to parent, subsidiaries and affiliates | 22,560 |
| Payable for securities | 244,865 |
| Liability for amounts held under uninsured plans | 30,994,051 |
| Total liabilities | $692,677,388 |
| **Capital and Surplus** | |
| Gross paid in and contributed surplus | $426,999,991 |
| Unassigned funds (surplus) | (128,270,439) |
| Total capital and surplus | $298,729,552 |
| Total liabilities, capital and surplus | $991,406,940 |

## Statement of Income
## For the Year Ended December 31, 2024

| | Per Annual Statement |
|---|---|
| **Member Months** | 4,127,701 |
| Net premium income | $2,528,141,026 |
| Aggregate write-ins for other health related revenues | 10,953,246 |
| Total revenues | 2,539,094,272 |
| **Deductions:** | |
| Hospital/medical benefits | 1,639,139,970 |
| Other professional services | 24,887,736 |
| Emergency room and out-of-area | 99,069,966 |
| Prescription drugs | 587,412,636 |
| Aggregate write-ins for other hospital and medical | 7,513,198 |
| Incentive pool, withhold adjustment and bonus amounts | 12,851,161 |
| Subtotal | 2,370,874,667 |
| Net reinsurance recoveries | 15,557,686 |
| Total hospital and medical | 2,355,316,981 |
| Claims adjustment expenses | 89,119,780 |
| General administrative expenses | 182,124,206 |
| Increase in reserves for life and accident and health contracts | 73,969,002 |
| Total underwriting deductions | 2,700,529,969 |
| Net underwriting loss | (161,435,697) |
| Net investment income earned | 25,263,896 |
| Net realized capital gains less capital gains tax | 7,888,076 |
| Net investment gain | 33,151,972 |
| Aggregate write-ins for other income or expenses | - |
| Net loss, after capital gains tax and before all other federal income taxes | (128,283,725) |
| Federal and foreign income taxes incurred | - |
| Net loss | ($128,283,725) |

**Reconciliation of Capital and Surplus**
**For Each Year in the Four-Year Period Ended December 31, 2024**

| | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|
| Capital and surplus, December 31 prior year | $437,479,622 | $410,283,338 | $400,766,295 | $338,247,588 |
| Net income (loss) | (128,283,725) | (8,952,881) | 40,138,830 | (17,826,744) |
| Change in net unrealized capital gains (losses) | 14,927,704 | 22,507,779 | (67,783,102) | 26,192,252 |
| Change in nonadmitted assets | (8,394,040) | 13,641,386 | 37,161,315 | 4,153,201 |
| Surplus Paid in | 332,999,991 | - | - | 50,000,000 |
| Dividends to stockholders | (50,000,000) | - | - | - |
| Aggregate write-ins for loss in surplus: | | | | (1) |
| Net change in capital and surplus for the year | (138,750,070) | 27,196,284 | 9,517,043 | 62,518,708 |
| Capital and surplus, December 31 current year | $298,729,552 | $437,479,622 | $410,283,338 | $400,766,295 |

## ANALYSIS OF CHANGES IN FINANCIAL STATEMENTS RESULTING FROM THE EXAMINATION

There have been no changes made to the financial statements as a result of the examination.

## COMMENTS ON FINANCIAL STATEMENT ITEMS

As a result of the examination, no adverse findings or changes to the financial statements were identified.

The Company uses estimates for determining its claims incurred but not yet reported which are based on historical claim payment patterns, healthcare trends and membership and includes a provision for adverse changes in claim frequency and severity. Amounts incurred related to prior years may vary from previously estimated liabilities as the claims are ultimately settled.

INS Health Actuaries prepared independent estimates of the unpaid claim liabilities ("UCL") as of December 31, 2024. For December 31, 2024, completion factors for the projection of ultimate claims were developed using historical payment patterns and actuarial judgment. Estimates were developed by subtracting the claims paid-to-date from the actuarial incurred estimates. The actuarial estimates, as determined by INS Health Actuaries, indicate that THPP's UCL is reasonable as of December 31, 2024. The Company's premium deficiency reserve calculation was also reviewed and found to be reasonable as of December 31, 2024.

## SUBSEQUENT EVENTS

Effective March 11, 2025, the First Amended and Restated Management Services Agreement was put in place between TAHMO and its affiliates, including the Company.

Effective January 9, 2026, the First Amended and Restated Management Services Agreement was put in place between HPHC and its affiliates, including the Company.

On March 28, 2025, the Company became a member of the Federal Home Loan Bank of Boston (FHLB). Through its membership, the Company has a borrowing capacity of $50,000,000. There were no amounts borrowed under the revolving credit facility as of December 31, 2025.

On October 15, 2025, the Company amended and restated an agreement with Bank of America for an unsecured revolving credit facility. The total lending commitment of the revolving credit facility is $100,000,000. There was $0 borrowed under the revolving credit facility as of December 31, 2025.

On December 30, 2025, HPHC issued an $80,000,000 surplus note to THPP to serve as additional working capital and investments and maintain regulatory capital adequacy. The Division approved the surplus note on December 24, 2025. The surplus note bears interest at the rate of 5.5% per annum, payable semi-annually in arrears on July 1 and January 1 of each year, subject to prior

written approval of the Commissioner of Insurance of the State of Massachusetts. The principal amount is due and payable in ten equal, consecutive, annual installments of $8,000,000 each, subject to prior written approval of the Commissioner.
Subsequent to the examination date, in 2025, Patrick Francis Gilligan was added to the Board.

In 2025, Patrick Francis Gilligan and Glenn MacFarlane replaced Robert Scott Walker as President/Chief Executive Officer, and Chief Financial Officer, respectively.

On January 5, 2026, the Board appointed Michael Marrone as the new Chief Financial Officer, replacing Glenn MacFarlane who was appointed to a different position within the holding company.

## SUMMARY OF RECOMMENDATIONS

There were no significant recommendations noted in this report.

## SIGNATURE PAGE

Acknowledgement is made of the cooperation and courtesies extended by the officers and employees of the Company during the examination.

The INS Companies provided assistance in the review of information technology, actuarial reserve, and financial examination of the Company.

*R. J. Ciaramella, Jr.*

Raffaele J. Ciaramella, Jr., CFE
Supervising Examiner
Commonwealth of Massachusetts
Division of Insurance