

STATE OF INDIANA)
) SS: BEFORE THE INDIANA
COUNTY OF MARION) COMMISSIONER OF INSURANCE

IN THE MATTER OF:)
)
Renaissance Life & Health Insurance Company of America)
225 S. East Street, Suite 360)
Indianapolis, Indiana 46202)

Examination of: **Renaissance Life & Health Insurance Company of America**


NOTICE OF ENTRY OF ORDER

Enclosed is the Final Order entered by Amy L. Beard, Commissioner of the Indiana Department of Insurance, after fully considering and reviewing the Verified Report of Examination of Renaissance Life & Health Insurance Company of America, any relevant examination work papers, and any written submissions or rebuttals. The Verified Report of Examination, as amended by the Final Order, has been adopted by the Commissioner.

Pursuant to Ind. Code § 27-1-3.1-12(b), within thirty (30) days of receipt of the Final Order, each director of Renaissance Life & Health Insurance Company of America shall file an affidavit with the Indiana Department of Insurance stating that he/she has received a copy of the Verified Report of Examination and the Final Order.

The Final Order is a final administrative decision that may be appealed pursuant to Ind. Code § 4-21.5-5.

July 21, 2021
Date


Roy Eft
Chief Financial Examiner

CERTIFIED MAIL NUMBER: 7018 1130 0001 7982 6123

STATE OF INDIANA)
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IN THE MATTER OF:)
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Renaissance Life & Health Insurance Company of America)
225 S. East Street, Suite 360)
Indianapolis, Indiana 46202)

Examination of: **Renaissance Life & Health Insurance Company of America**

FINDINGS AND FINAL ORDER

The Indiana Department of Insurance conducted an examination into the affairs of the Renaissance Life & Health Insurance Company of America (hereinafter “Company”) for the time period January 1, 2017 through December 31, 2019.

The Verified Report of Examination was filed with the Commissioner of the Department of Insurance (hereinafter “Commissioner”) by the Examiner on May 28, 2021.

A copy of the Verified Report of Examination, along with a Notice of Opportunity to Make Written Submission or Rebuttal, was mailed to the Company via Certified Mail on June 18, 2021 and was received by the Company on June 22, 2021.

On July 16, 2021, pursuant to Ind. Code § 27-1-3.1-10, the Company filed a response to the Verified Report of Examination. The Commissioner has fully considered the Company’s response.

NOW THEREFORE, based on the Verified Report of Examination and the response filed by the Company, the Commissioner hereby FINDS as follows:

1. The suggested modifications to the Verified Report of Examination submitted by the Company are reasonable and shall be incorporated into the Verified Examination Report. A copy of the Verified Report of Examination, as amended, is attached hereto.

2. The Verified Report of Examination, as amended, is true and accurate report of the financial condition and affairs of the Company as of December 31, 2019.
3. The Examiners' recommendations are reasonable and necessary in order for the Company to comply with the insurance laws of the state of Indiana.

Based on the FINDINGS, the Commissioner does hereby ORDER:

1. Pursuant to Ind. Code § 27-1-3.1-11(a)(1), the Verified Report of Examination is adopted and shall be filed. Hereafter the Verified Report of Examination, as amended, may constitute prima facie evidence of the facts contained therein in any action or proceeding taken by the Indiana Department of Insurance against the Company, its officers, directors, or agents.
2. The Company shall comply with the Examiner's Recommendations enumerated in summary form and throughout the text of the Verified Report of Examination, as amended. A written response to these recommendations should be provided to the Department within 30 days of receipt of this order.
3. Compliance with the Examiner's recommendations shall be completed on or before the filing of the subsequent annual statement. In the event it is not feasible to comply with a recommendation before the filing of the subsequent annual statement, the Company shall submit a written explanation as to why it was not feasible with the filing of the annual statement.

Signed this 21 day of
July, 2021.



Amy L. Beard
Insurance Commissioner

ABOUT AFFIRMATIONS

The following pages for affirmations need to be signed by each Board Member and returned to the Indiana Department of Insurance within thirty (30) days in accordance with I.C. §27-1-3.1-12(b).

If your affirmations list individuals that are no longer on your Board of Directors, you may simply retype the form on plain white paper with the correct names and a line to the right for signature. If the names are misspelled, you may do the same, simply re-type the corrected form with a line to the right for signature.

Should you have any questions or difficulties with these forms or you require additional time past the thirty (30) day requirement, please do not hesitate to contact this department at (317) 232-2390.

STATE OF INDIANA
Department of Insurance
REPORT OF EXAMINATION
OF
RENAISSANCE LIFE & HEALTH INSURANCE COMPANY OF
AMERICA
NAIC Co. CODE 61700
NAIC GROUP CODE 0477

As of

December 31, 2019

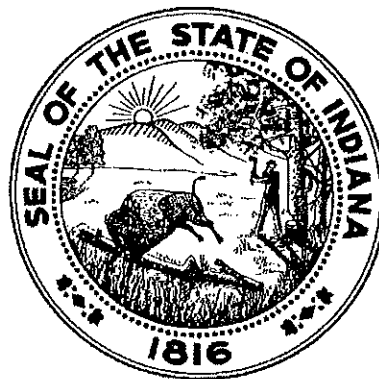


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STATE OF INDIANA

ERIC J. HOLCOMB, GOVERNOR

Indiana Department of Insurance

Amy L. Beard, Commissioner
311 W. Washington Street, Suite 103
Indianapolis, Indiana 46204-2787
Telephone: 317-232-2385
Fax: 317-232-5251
Website: in.gov/idoi

May 28, 2021

Honorable Amy L. Beard, Commissioner
Indiana Department of Insurance
311 West Washington Street, Suite 300
Indianapolis, Indiana 46204-2787

Dear Commissioner:

Pursuant to the authority vested in Appointment Number 4052, an examination has been made of the affairs and financial condition of:

Renaissance Life & Health Insurance Company of America
225 S. East Street, Suite 360
Indianapolis, IN 46202

hereinafter referred to as the "Company", or "RLHICA", an Indiana domestic stock, life, and annuity insurance company. The examination was conducted remotely with support from the offices of the Company in Indianapolis, Indiana.

The Report of Examination, reflecting the status of the Company as of December 31, 2019, is hereby respectfully submitted.

ACCREDITED BY THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

AGENCY SERVICES 317-232-2389 COMPANY COMPLIANCE 317-232-3495 CONSUMER SERVICES 317-232-2395/1-800-622-4461 FINANCIAL SERVICES 317-232-2390 MEDICAL MALPRACTICE 317-232-2402 COMPANY RECORDS 317-232-5692 STATE HEALTH INSURANCE PROGRAM 1-800-452-4800

SCOPE OF EXAMINATION

The Company was last examined by representatives of the Indiana Department of Insurance (INDOI), and covered the period from January 1, 2014 through December 31, 2016. The present risk focused examination was conducted by Noble Consulting Services, Inc., and covered the period from January 1, 2017 through December 31, 2019, and included any material transactions and/or events occurring subsequent to the examination date and noted during the course of this examination.

The examination was conducted in accordance with the NAIC *Financial Condition Examiners Handbook* (Handbook). The Handbook requires that we plan and perform the examination to evaluate the financial condition, assess corporate governance, identify current and prospective risks of the Company, and evaluate system controls and procedures used to mitigate those risks. An examination also includes identifying and evaluating significant risks that could cause an insurer's surplus to be materially misstated both currently and prospectively.

The examination of the Michigan domestic insurance companies of Delta Dental of Michigan (DDMI) was called by Michigan Department of Insurance and Financial Services (DFIS) in accordance with the Handbook guidelines, through the NAIC's Financial Examination Electronic Tracking System. The DFIS served as the lead state on the examination, and the INDOI, Arkansas Insurance Department, Ohio Department of Insurance, North Carolina Department of Insurance, New York State Department of Financial Services and New Mexico Office of the Superintendent of Insurance served as participants.

Mark Alberts, FSA, MAAA, of Alberts Actuarial Consulting, LLC, a consulting actuary appointed by the INDOI, provided all actuarial services throughout the examination and conducted a review of the Company's actuarial related risks as of December 31, 2019.

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 in the Indiana Code (IC) 27-1-3.1-10 and general information about the insurer 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.

HISTORY

RLHICA is an Indiana for-profit life and health insurance company licensed in all states except New York. The Company was originally incorporated as Central National Life Insurance Company of Omaha (CNL) and was domiciled in Delaware. In late 1999, 100% of the net CNL business was reinsured by Household Life Insurance Company in an effort to leave CNL as a shell company with multiple licenses. In November 2005, CNL was acquired by Renaissance Holding Company (RHC), a subsidiary of Renaissance Health Services Corporation (RHSC), and its name was changed to its current name. In 2007, Great Lakes Delta Insurance Company (GLDIC), an Indiana life and health company formerly a wholly owned subsidiary of DDMI, was merged into RLHICA. The Company assumed all GLDIC dental risk business. RHSC is the ultimate controlling person. RHSC is a parent to multiple dental insurance companies, as well as companies providing services to both the insurance and dental industry. Effective September 1, 2009, the Company redomesticated from Delaware to Indiana.

GROWTH OF THE COMPANY

The following exhibit summarizes the financial results of the Company during the examination period*:

<u>Year</u>	<u>Admitted Assets</u>	<u>Liabilities</u>	<u>Surplus and Other Funds</u>	<u>Premiums and Annuities</u>	<u>Net Income</u>
2019	\$ 92,618,018	\$ 36,441,420	\$ 56,176,598	\$ 170,515,908	\$ 3,347,805
2018	95,262,469	27,421,026	67,841,442	169,725,803	3,218,317
2017	91,942,031	25,633,030	66,309,001	154,208,940	3,714,794

*Includes immaterial rounding differences

MANAGEMENT AND CONTROL

Directors

The Bylaws provide that the business affairs of the Company are to be managed by a Board of Directors (Board) consisting of no less than five (5) and no more than eighteen (18) directors. At least one (1) of the directors must be a resident of Indiana. The shareholders, at each annual meeting, elect the members of the Board.

The following is a listing of persons serving as directors as of December 31, 2019, and their principal occupations as of that date:

<u>Name and Address</u>	<u>Principal Occupation</u>
Robert Patrick Mulligan Carmel, Indiana	President and Chief Executive Officer RLHICA
Goran Mike Jurkovic Lansing, Michigan	Executive Vice President RLHICA
Jeffrey Michael Kolesar Fishers, Indiana	Chief Operating Officer RLHICA
Sue Ellen Jenkins Haslett, Michigan	Vice President, General Counsel, and Secretary RLHICA
Amy Lyn Basel East Lansing, Michigan	Chief Financial Officer, Chief Risk Officer, and Treasurer RLHICA

Officers

The Bylaws state that the officers of the Company shall consist of a Chairperson of the Board, a Chief Executive Officer, a Chief Operating Officer, a President, one (1) or more Vice Presidents, a Secretary, a Treasurer and other officers as may be deemed necessary by the Board. Any two (2) or more positions may be held by the same person, except for the office of the President and Secretary, and the office of Chief Executive Officer and Secretary, which may not be held by the same person. Each officer, except for the Chief Operating Officer and the President, shall be chosen by the Board and shall hold office until their successor is chosen and qualified. The Chief Executive Officer, in their sole discretion, shall select the Chief Operating Officer and the President, or may elect to serve in either or both of these positions themselves.

CAPITAL AND SURPLUS

RHC owned 100% of the Company's issued and outstanding stock as of the examination date. There were 235,000 authorized shares of common stock with a par value of \$25 per share and 120,000 shares issued and outstanding throughout the examination period.

DIVIDENDS TO STOCKHOLDERS

The Company paid the following dividends to RHC during the examination period:

<u>Year</u>	<u>Total</u>	<u>Ordinary Dividends</u>	<u>Extraordinary Dividends</u>
2019	\$ -	\$ -	\$ -
2018	-	-	-
2017	<u>5,100,000</u>	<u>5,100,000</u>	-
Total	<u>\$ 5,100,000</u>	<u>\$ 5,100,000</u>	<u>\$ -</u>

In accordance with IC 27-1-23-4(h), the payment of dividends to holding companies or affiliated insurers may not exceed the greater of 10% of the prior year's surplus or the net gain from operations of the prior year. The Company paid one (1) ordinary dividend during the examination period. In accordance with IC 27-1-23-1.5, the Company notified the INDOI of all declared dividends to the parent during the examination period.

TERRITORY AND PLAN OF OPERATION

RLHICA was created in response to market needs for dental products underwritten on a national rather than state basis and serves as RHC's principal nationwide corporate commercial vehicle for the sale of individual and group dental and vision insurance products across the United States. RLHICA also provides risk underwriting for certain individual dental insurance product business for its Delta Dental affiliates in certain states and markets. The Company underwrites premiums in 49 states and the District of Columbia.

Sales and distribution of all RHLICA individual dental policies occur through a variety of channels, primarily through private exchange partners. The Company continues to recruit sales representatives in various states and add satellite offices. The majority of individual premiums are from a dental program offered to retirees of large national companies.

RLHICA also offers dental, vision, life, disability, and accidental death and dismemberment policies for employer groups to offer to their employees on a voluntary, employee or employer-paid basis.

The following is a list of key officers and their respective titles as of December 31, 2019:

<u>Name</u>	<u>Office</u>
Robert Patrick Mulligan	President, and Chief Executive Officer
Goran Mike Jurkovic	Executive Vice President
Jeffrey Michael Kolesar	Chief Operating Officer
Sue Ellen Jenkins	Vice President, General Counsel and Secretary
Amy Lyn Basil	Chief Financial Officer, Chief Risk Officer and Treasurer

CONFLICT OF INTEREST

Directors and officers are required to review and sign Conflict of Interest statements annually. It was determined that all directors and officers listed in the Management and Control section of this Report of Examination have reviewed and signed their statements as of December 31, 2019.

OATH OF OFFICE

IC 27-1-7-10(i) stipulates that every director, when elected, shall take and subscribe to an oath stating that he or she will faithfully, honestly, and diligently administer the affairs of the Company and will not knowingly violate any of the laws applicable to such Company. It was determined that all directors listed in the Management and Control section of this Report of Examination have subscribed to an oath as of December 31, 2019.

CORPORATE RECORDS

Articles of Incorporation

There were no amendments made to the Articles of Incorporation during the examination period.

Bylaws

There were no amendments made to the Bylaws during the examination period.

Minutes

The Board and shareholders meeting minutes were reviewed for the period under examination through the fieldwork date. Significant actions taken during each meeting were noted.

IC 27-1-7-7(b) states an annual meeting of shareholders, members, or policyholders shall be held within five (5) months after the close of each fiscal year of the Company and at such time within that period as the Bylaws may provide. The Company's Bylaws specify that the annual meeting of the stockholders of the Company shall be held at the principal office of the Company, or at such other place and at such hour as shall be designated in the notice thereof, on the first day after the 15th of April of each year.

It was noted the Company did not hold annual meetings of the stockholders during the examination period. In addition, Board of Directors meeting were not held during 2017, 2018 and the majority of 2019. The Company was not in compliance with their Bylaws and IC 27-1-7-7(b). See Other Significant Issues section in this Report of Examination.

The RHSC Audit Committee and the DDMI Investment Committee meeting minutes for the examination period, and through the fieldwork date, were reviewed. Significant actions taken during each meeting were noted.

AFFILIATED COMPANIES

Organizational Structure

The following abbreviated organizational chart shows the Company's parent and affiliates as of December 31, 2019:

	NAIC Co. Code	Domiciliary State/Country
Renaissance Health Service Corporation (RHSC)		MI
Delta Dental Plan of Michigan, Inc. (DDMI)	54305	MI
Delta Dental Plan of Ohio, Inc. (DDOH)**	54402	OH
Delta Dental Plan of Indiana, Inc. (DDIN)**	52634	IN
Delta Dental Fund dba Dental Foundation**		MI
Delta Dental of Tennessee (DDTN)	54526	TN
Fore Holding Corporation (FHC)		TN
Premier Insurance Services, LLC		TN
Liquid Corn, LLC		TN
Delta Dental Plan of New Mexico, Inc. (DDNM)	47287	NM
Delta Dental of Kentucky, Inc. (DDKY)	54674	KY
Delta Choice, Inc.	48127	KY
Dental Choice, Agency, Inc.		KY
Dental Choice Holdings, LLC		KY
Delta Dental of North Carolina (DDNC)	54658	NC
Delta Dental Plan of Arkansas, Inc. (DDAR)	47155	AR
Omega Administrators, Inc.		AR
Delta Dental of Arkansas Foundation, Inc.		AR
PAC of Delta Dental Plan of Arkansas, Inc.		AR
Renaissance Holding Company (RHC)*		MI
Renaissance Life & Health Insurance Company of America (RLHICA)	61700	IN
Renaissance Life & Health Insurance Company of New York (RHNY)	15638	NY
Renaissance Electronic Services, LLC		MI
TESIA Clearinghouse, LLC (TESIA)		MI
Renaissance Family Foundation, Inc.		IN

*owned by DDMI (58.0%), DDAR (13.2%), FHC (8.9%), DDKY (5.9%), DDIN (5.8%), DDOH (4.2%), and DDNM (4%)

**Controlled by DDMI.

Affiliated Agreements

The following affiliated agreements and transactions were disclosed as part of the Form B – Holding Company Registration Statement and were filed with the INDOI, as required, in accordance with IC 27-1-23-4.

Administrative Services Agreements

Beginning in 2017, a “global” Services Agreement replaced all previous agreements whereby services are provided for claims, customer services, and managerial services.

RHNY Administrative Services Agreements

Effective December 18, 2017, RLHICA entered into a new Administrative Services Agreement with Renaissance Life & Health Insurance Company of New York (f/k/a Renaissance Health Insurance Company of New York) which superseded and replaced the previous Administrative Services Agreement between the parties entered into as of January 1, 2010.

FIDELITY BOND AND OTHER INSURANCE

The Company protects itself against loss from any fraudulent or dishonest acts by any employees through a fidelity bond issued by Great American Insurance Company. The bond has a single loss coverage limit of \$10,000,000, with a \$200,000 deductible. The fidelity bond is adequate to meet the prescribed minimum coverage specified by the NAIC.

The Company had additional types of coverage in-force as of December 31, 2019, including but not limited to commercial property liability, employment practices liability, ERISA liability, management indemnity/directors and officers liability, professional indemnity liability, and workers' compensation liability.

SPECIAL AND STATUTORY DEPOSITS

The Company reported the following deposits, (in 000s), as of December 31, 2019:

<u>State</u>	<u>Book Value</u>	<u>Fair Value</u>
For All Policyholders:		
Indiana	\$ 1,745	\$ 1,745
All Other Special Deposits:		
Georgia	35	35
Missouri	770	770
New Mexico	252	251
North Carolina	450	451
Total Deposits**	<u>\$ 3,252</u>	<u>\$ 3,251</u>

** The balances include immaterial rounding differences

REINSURANCE

Ceded Reinsurance

As of December 31, 2019, the Company reinsured a block of business to Pavonia Life Insurance Company of Michigan in 1999. This represented ceded reserve credits totaling approximately \$4.1 million and ceded premiums of \$89,100 as of December 31, 2019.

Effective June 1, 2016, the Company entered into a Coinsurance Basis Reinsurance Agreement with Mutual of Omaha Insurance Company (MOOIC) for its Medicare Supplement business, whereby the Company is ceding 90% of its Medicare Supplement business to MOOIC. As of December 31, 2019, the ceded premiums were \$4.5 million.

Effective July 1, 2018, another program involves reinsuring yearly renewable group term life and group long-term

disability business with Munich American Reassurance Company. This represented ceded reserve credits totaling \$7,800 and ceded premiums of \$328,100 during 2019.

Effective May 1, 2019, the Company entered into a Dental Benefit Quota Share Reinsurance Agreement with Axis Insurance Company (AIC). The Company cedes a small amount of group dental and vision business to AIC which accounted for \$38,600 of ceded business during 2019.

Assumed Reinsurance

The Company has two (2) significant assumed reinsurance relationships. The first involves a quota share participation in an AARP Dental program that is underwritten by Dentegra Insurance Company, Dentegra Insurance Company of New England, and Delta Dental Insurance Company. This contract accounted for assumed premiums of approximately \$20.0 million in 2019.

The second program, which began on April 1, 2017, also involves a quota share participation in a national program underwritten by Security Mutual Life Insurance Company of New York. This program covers group term life, accident and disability insurance pursuant to a 100% quota share Coinsurance Agreement. Amendment No. 1 to the Coinsurance Agreement was effective January 1, 2019. This Agreement accounted for assumed premiums of approximately \$3.0 million in 2019.

ACCOUNTS AND RECORDS

The Company's accounting procedures, practices, account records, and supporting data were reviewed and tested to the extent deemed necessary. The trial balances prepared from the Company's general ledger for the years ended December 31, 2018 and December 31, 2019, were agreed to the respective Annual Statements. The Annual Statements for the years ended December 31, 2017 through December 31, 2019, were agreed to each year's independent audit report without material exception. The Company's accounting procedures, practices, and account records were deemed satisfactory.

FINANCIAL STATEMENTS

RENAISSANCE LIFE & HEALTH INSURANCE COMPANY OF AMERICA

Assets

As of December 31, 2019

	<u>Per Examination*</u>
Bonds	\$ 59,287,873
Stocks:	
Preferred Stocks	84,800
Common stocks	18,184,920
Cash, cash equivalents and short-term investments	5,830,347
Other invested assets	5,750
Subtotals, cash and invested assets	<u>83,393,690</u>
Investment income due and accrued	264,229
Premiums and considerations:	
Uncollected premiums and agents' balances in course of collection	2,136,736
Deferred premiums, agents' balances and installments booked but deferred and not yet due	461,402
Reinsurance:	
Amounts recoverable from reinsurers	38,296
Funds held by or deposited with reinsured companies	752,615
Amounts receivable relating to uninsured plans	175,942
Current federal and foreign income tax recoverable and interest thereon	171,647
Net deferred tax asset	3,555,814
Guaranty funds receivable or on deposit	425,782
Receivables from parent, subsidiaries and affiliates	256,496
Health care and other amounts receivable	984,375
Aggregate write-ins for other than invested assets	994
Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts	<u>92,618,018</u>
Totals**	<u>\$ 92,618,018</u>

* There were no adjustments to the as-filed financial statements, therefore the Annual Statement amounts agree to the examination amounts.

** The balances include immaterial rounding differences.

RENAISSANCE LIFE & HEALTH INSURANCE COMPANY OF AMERICA
Liabilities, Surplus and Other Funds
As of December 31, 2019

	<u>Per Examination*</u>
Aggregate reserve for life contracts	\$ 326,707
Aggregate reserve for accident and health contracts	6,851,033
Contract claims	
Life	1,144,415
Accident and health	8,572,729
Premiums and annuity considerations for life and accident and health contracts received in advance	3,729,336
Interest Maintenance Reserve	684,435
Commissions to agents due or accrued- life and annuity contracts	599,244
General expenses due or accrued	6,099,297
Taxes, licenses and fees due or accrued, excluding federal income taxes	1,317,508
Amounts withheld or retained by reporting entity as agent or trustee	89,233
Miscellaneous liabilities	
Asset Valuation Reserve	3,152,010
Payable to parent, subsidiaries and affiliates	2,435,242
Payable for securities	592,197
Aggregate write-ins for liabilities	848,033
Total liabilities excluding Separate Accounts Business	36,441,420
Total liabilities	36,441,420
Common capital stock	3,000,000
Gross paid in and contributed surplus	23,376,765
Aggregate write-ins special surplus funds – ACA estimate	2,067,564
Unassigned funds (surplus)	27,732,269
Surplus	56,176,598
Totals**	\$ 92,618,018

* There were no adjustments to the as-filed financial statements, therefore the Annual Statement amounts agree to the examination amounts.

** The balances include immaterial rounding differences.

RENAISSANCE LIFE & HEALTH INSURANCE COMPANY OF AMERICA

Summary of Operations

For the Year Ended December 31, 2019

	<u>Per Examination*</u>
	\$
Premiums and annuity considerations for life and accident and health contracts	170,515,908
Net investment income	2,209,365
Amortization of interest maintenance reserve	153,957
Commissions and expense allowances on reinsurance ceded	1,078,720
Aggregate writes ins for miscellaneous income	3,076,016
Totals	<u>177,033,966</u>
Death benefits	3,046,473
Disability benefits and benefits under accident and health contracts	122,086,096
Increase in aggregate reserves for life and accident and health contracts	(4,604)
Totals	<u>125,127,965</u>
Commissions on premiums, annuity considerations, and deposit type contract funds	10,081,025
Commissions and expense allowances on reinsurance assumed	548,868
General insurance expenses and fraternal expenses	33,653,748
Insurance taxes, licenses and fees, excluding federal income taxes	4,832,978
Aggregate write-ins for deductions	13,261
Totals	<u>174,257,845</u>
Net gain from operations after dividends to policyholders, refunds to members and before federal income taxes	2,776,121
Federal and foreign income taxes incurred	509,977
Net gain from operations after dividends to policyholders, refunds to members and federal income taxes and before realized capital gains or (losses)	2,266,144
Net realized capital gains (losses)	1,081,662
Net income**	<u>\$ 3,347,805</u>

* There were no adjustments to the as-filed financial statements, therefore the Annual Statement amounts agree to the examination amounts.

** The balances include immaterial rounding differences.

RENAISSANCE LIFE & HEALTH INSURANCE COMPANY OF AMERICA
Capital and Surplus Account Reconciliation

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Capital and surplus, December 31, prior year	\$ 67,841,442	\$ 66,309,001	\$ 65,627,010
Net income	3,347,805	3,218,317	3,714,794
Change in net unrealized capital gains or (losses) less capital gains tax	2,121,921	(1,798,386)	1,786,273
Change in net deferred income tax	3,773,709	272,302	(197,375)
Change in nonadmitted assets	(17,756,269)	(159,792)	478,299
Change in asset valuation reserve	(3,152,010)	-	-
Dividends to stockholders	-	-	(5,100,000)
Change in capital and surplus for the year	<u>(11,664,844)</u>	<u>1,532,441</u>	<u>681,991</u>
Capital and surplus, December 31 current year**	<u>\$ 56,176,598</u>	<u>\$ 67,841,442</u>	<u>\$ 66,309,001</u>

** The balances include immaterial rounding differences.

COMMENTS ON THE FINANCIAL STATEMENTS

There were no recommended adjustments to the financial statements as of December 31, 2019, based on the results of this examination.

OTHER SIGNIFICANT ISSUES

It was noted the Company did not hold annual meetings of the stockholders during the examination period. In addition, Board of Directors meetings were not held during 2017, 2018 and the majority of 2019. The Company was not in compliance with its Bylaws. The Company was not in compliance with their Bylaws and IC 27-1-7-7(b).

SUBSEQUENT EVENTS

On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus (COVID-19) pandemic. The extent of the impact of COVID-19 on RLHICA's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, regulatory decisions, and the impact on the financial markets, all of which are uncertain and cannot be predicted. Due to the timing of the examination and field work, the effects of the pandemic on this entity are not fully addressed within this examination report.

AFFIDAVIT

This is to certify that the undersigned is a duly qualified Examiner-in-Charge appointed by the Indiana Department of Insurance and that he, in coordination with staff assistance from Noble Consulting Services, Inc., and actuarial assistance from Alberts Actuarial Consulting, LLC, performed an examination of Renaissance Life & Health Insurance Company of America, as of December 31, 2019.

The Indiana Department of Insurance is accredited under the National Association of Insurance Commissioners Financial Regulation Accreditation Standards.

This examination was performed in accordance with those procedures required by the NAIC Financial Condition Examiners Handbook and other procedures tailored for this examination. Such procedures performed on this examination do not constitute an audit made in accordance with generally accepted auditing standards and no audit opinion is expressed on the financial statements contained in this report.

The attached Report of Examination is a true and complete report of the condition of Renaissance Life & Health Insurance Company of America as of December 31, 2019, as determined by the undersigned.

Eric Dercher
Eric Dercher, CFE
Noble Consulting Services, Inc.

Under the Supervision of:

Jerry Ehlers
Jerry Ehlers, CFE, AES
Examinations Manager
Indiana Department of Insurance

State of: Indiana
County of: Marion

On this 1st day of June, 2021, before me personally appeared, Eric Dercher and Jerry Ehlers, to sign this document.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal in said County and State, the day and year last above written.

My commission expires: October 4, 2025 Nancy L. Shawver
Notary Public

DARCY L. SHAWVER
NOTARY PUBLIC
SEAL
MARION COUNTY, STATE OF INDIANA
My Commission Expires OCTOBER 4, 2025
NAIC Accredited COMMISSION NO 708053

Darcy L. Shawver
Notary Public

