

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

IN THE MATTER OF:)

Renaissance Life & Health Insurance Company of America)
255 South East Street, Suite 360)
Indianapolis, IN 46204)

Examination of Renaissance Life & Health Insurance Company of America

NOTICE OF ENTRY OF ORDER

Enclosed is the Final Order entered by Stephen W. Robertson, 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.

Date

7/10/2015



Cynthia D. Donovan
Chief Financial Examiner

CERTIFIED MAIL NUMBER: 91 7190 0005 2720 0045 9760

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

IN THE MATTER OF:)
)
Renaissance Life & Health Insurance Company of America)
255 South East Street, Suite 360)
Indianapolis, IN 46204)

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, 20011 through December 31, 2013.

The Verified Report of Examination was filed with the Commissioner of the Department of Insurance (hereinafter "Commissioner") by the Examiner on May 14, 2015.

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 May 29, 2015 and was received by the Company on June 2, 2015.

On June 16, 2015, 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:

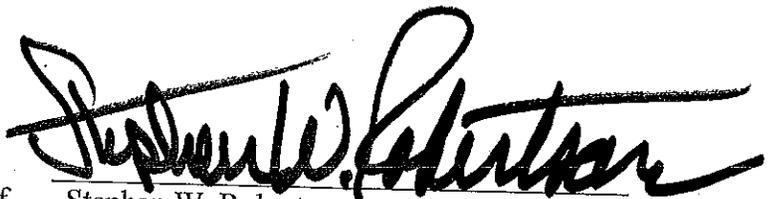
1. The suggested modifications to the Verified Report of Examination submitted by the Company are reasonable and shall be incorporated into the Verified Examination Report. A copy of the Verified Report of Examination, as amended, is attached hereto.

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, 2013.
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 and Sealed this 10th day of July, 2015.


Stephen W. Robertson
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.

A handwritten signature in black ink, appearing to be "Michael J. ...", is located at the bottom of the page. The signature is somewhat stylized and difficult to read precisely.

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, 2013

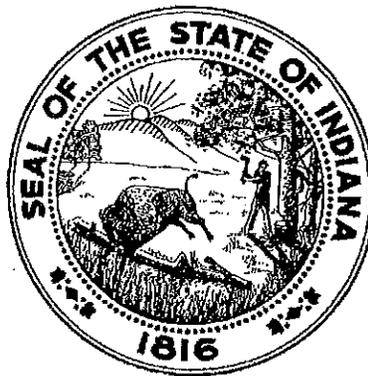


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STATE OF INDIANA

IDOI

MICHAEL R. PENCE, Governor

Indiana Department of Insurance

311 W. Washington Street, Suite 300

Indianapolis, Indiana 46204-2787

Telephone: (317) 232-2385

Fax: (317) 232-5251

Stephen W. Robertson, Commissioner

May 14, 2015

Honorable Stephen W. Robertson, 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 3808, 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, accident and health insurance company. The examination was conducted at the corporate offices of the Company in Okemos, Michigan and Indianapolis, Indiana.

The Report of Examination, reflecting the status of the Company as of December 31, 2013, is hereby respectfully submitted.

ACCREDITED BY THE
NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

AGENCY SERVICES
(317) 232-2413

COMPANY COMPLIANCE
(317) 233-0697

CONSUMER SERVICES
(317) 232-2395
1-800-622-4461

EXAMINATIONS/FINANCIAL SERVICES
(317) 232-2390

MEDICAL MALPRACTICE
(317) 232-2402

SECURITIES/COMPANY RECORDS
(317) 232-1991

STATE HEALTH INSURANCE PROGRAM
1-800-332-4674

SCOPE OF EXAMINATION

The Company was last examined by representatives of the Indiana Department of Insurance (INDOI) as of the period ending December 31, 2010. The present risk focused examination was conducted by Noble Consulting Services, Inc., and covered the period from January 1, 2011 through December 31, 2013, 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 and identify 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. An examination also includes assessing the principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation, management's compliance with Statutory Accounting Principles and Annual Statement instructions, when applicable to domestic state regulations.

The examination of the Michigan domestic insurance company of the Renaissance Health Service Corporation, Delta Dental of Michigan (DDMI) was called by the Michigan Department of Insurance and Financial Services (MIDIFS) in accordance with the Handbook guidelines, through the NAIC's Financial Examination Electronic Tracking System. The MIDIFS served as the lead state on the examination, and the INDOI and the Ohio Department of Insurance served as participants.

Jeff Beckley, FSA, MAAA, of Actuarial Options, LLC., a consulting actuary appointed by the INDOI, conducted a review of the Company's statutory reserves as of December 31, 2013.

All accounts and activities of the Company were considered in accordance with the risk-focused examination process.

HISTORY

The Company was originally incorporated as Central National Life Insurance Company of Omaha (CNL) and was domiciled in Delaware. In 1999, 100% of the net CNL business was reinsured by Household Life Insurance Company (Household Life). The effect of this reinsurance was to effectively 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 the name of the company was changed to its current name. On March 31, 2007, Great Lakes Delta Insurance Company (GLDIC), an Indiana domestic, was merged into the Company. 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. The Company redomesticated from Delaware to Indiana, effective September 1, 2009.

CAPITAL AND SURPLUS

As of December 31, 2013, the Company has 235,000 shares of \$25 par value common stock authorized, of which 120,000 shares were issued and outstanding. All issued and outstanding shares were owned by RHC throughout the exam period. There were no dividends paid by the Company during the period of examination.

TERRITORY AND PLAN OF OPERATION

The Company is authorized to sell life and health insurance in forty-nine (49) states (excluding New York) and the District of Columbia.

Sales and distribution of all RHLICA individual dental policies occur through a variety of channels. The primary distribution channel involves sales made through private exchange partners. These partners represent multiple carriers and multiple products and often focus primarily on medical policy sales with ancillary products like dental policies in select states through the public health marketplace, healthcare.gov. Currently, products are available in nine (9) states.

The Company also offers dental policies for employer groups to their employees on a voluntary, employee-paid basis or on an employer-paid basis. Direct group sales are made exclusively under the Renaissance brand and are currently focused on select states in the southeastern United States. In addition to direct sales using the Renaissance brand, the Company also provides private label administration services for insurance companies looking for dental product expertise and administration.

In addition to growing sales of both individual and group dental insurance policies, the Company plans to diversify its product offerings by adding complementary non-insurance products to its portfolio.

GROWTH OF THE COMPANY

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

| <u>Year</u> | <u>Admitted Assets</u> | <u>Liabilities</u> | <u>Capital and Surplus</u> | <u>Total Revenues</u> | <u>Net Income</u> |
|-------------|------------------------|--------------------|----------------------------|-----------------------|-------------------|
| 2013 | \$ 56,387,893 | \$ 16,719,141 | \$ 39,668,752 | \$ 81,908,203 | \$ 5,403,404 |
| 2012 | 53,323,883 | 15,254,798 | 38,069,085 | 67,764,907 | 4,986,300 |
| 2011 | 49,943,679 | 16,746,669 | 33,197,010 | 67,778,516 | 5,085,892 |

Admitted assets increased primarily due to investing operating profits. Admitted assets were also impacted by the timing of advance premium collections and changes to unrealized gains of common stocks. In 2013, increases in assets were somewhat offset by increases to non-admitted assets.

Liabilities fluctuated in conjunction with member months and utilization throughout the examination period. An increase to the premium deficiency reserve, primarily related to the Company's group business, contributed to the increase in liabilities for 2013.

Surplus increased \$1.6 million in 2013. The net income of \$5.4 million and \$1.2 million increase in unrealized gains in the stock portfolio was offset by a \$4.7 million increase in non-admitted assets. Surplus increased \$4.9 million in 2012, which is primarily a function of net income for the period.

MANAGEMENT AND CONTROL

Directors

The Bylaws provide that the business and property of the Company shall be managed by a Board of Directors consisting of not less than five (5) and no more than eighteen (18) directors. Directors need not be shareholders but should be citizens and residents of the United States of America and be at least eighteen (18) years of age. Directors shall be elected annually by vote of the shareholders for a term of three (3) years, and shall serve until the election and acceptance of their duly qualified successors. For each year under review, there have been between five (5) and eighteen (18) directors, who were elected by shareholders at the annual shareholder meeting.

IC 27-1-7-11 states that at least one (1) of the directors must be a resident of Indiana. Upon review, it is confirmed that at least one (1) director is a resident of Indiana.

The following is a listing of persons serving as directors for RHLICA and their principal occupations as of December 31, 2013:

| <u>Name and Address</u> | <u>Principal Occupation</u> |
|---|---|
| Patrick T. Cahill, JD Milford, Michigan | Retired Legal Professional |
| Laura L. Czelada, CPA Okemos, Michigan | President and Chief Executive Officer Renaissance Health Service Corporation |
| Goran M. Jurkovic, CPA Okemos, Michigan | Chief Financial Officer Renaissance Health Service Corporation |
| Robert P. Mulligan Indianapolis, Indiana | President and Chief Executive Officer Renaissance Life & Health Insurance Company of America |
| Edward J. Zobeck Okemos, Michigan | Chief Administrative Officer Renaissance Health Service Corporation |

Officers

The Bylaws state that the officers of the Company shall be a Chairman of the Board, a Chief Executive Officer, a Chief Operating Officer, a President, one (1) or more Vice Presidents, a Secretary, and 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 the office of the President and Secretary, and the office of Chief Executive Officer and Secretary may not be held by the same person. Each officer, except the Chief Operating Officer and the President, shall be chosen by the Board of Directors and shall hold office until his or her successor is chosen and qualified. The Chief Executive Officer, in his or her sole discretion, shall select the Chief Operating Officer and the President, or may elect to serve in either or both of these positions himself or herself.

The following is a list of key officers and their respective titles as of December 31, 2013:

| <u>Name</u> | <u>Office</u> |
|-------------------------------|---------------------------------------|
| Robert P. Mulligan | President and Chief Executive Officer |
| Laura L. Czelada, CPA | Treasurer |
| Edward J. Zobeck | Secretary |
| Goran M. Jurkovic, CPA | Chief Financial Officer |
| Jed J. Jacobson, DDS, MS, MPH | Senior Vice President |
| Jonathon S. Groat | Vice President and General Counsel |

CONFLICT OF INTEREST

Directors and officers are required to review and sign Conflict of Interest statements annually. The directors and officers listed in the Management and Control section of this Report of Examination have reviewed and signed their Conflict of Interest statements as of December 31, 2013.

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. Each director listed in the Management and Control section of this Report of Examination has subscribed to an Oath of Office statement in 2013.

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 state that the annual meeting of shareholders is to be held on the first business day after the fifteenth of April. For each year under review, the annual meeting of shareholders was held on the first business day after the fifteenth of April.

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 is an organizational chart as of December 31, 2013:

| | <u>NAIC Co. Code</u> | <u>Domiciliary State/Country</u> |
|--|--------------------------|--------------------------------------|
| 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 |
| Red Cedar Investment Management, LLC** | | 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 Properties, 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 |
| Renaissance Holding Company (RHC)* | | MI |
| Renaissance Life & Health Insurance Company of America (RLHICA) | 61700 | IN |
| Renaissance Health Insurance Company of New York (RHNY) | 15638 | NY |
| Renaissance Electronic Services, LLC | | MI |
| TESIA Clearinghouse, LLC (TESIA) | | MI |
| Maverest Dental Network, LLC (MDN) | | MI |
| Renaissance Systems and Services, LLC (RSS) | | MI |
| Electronic Lockbox Services, LLC | | MI |
| Renaissance Family Foundation, Inc. | | IN |

*owned by DDMI (58%), 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

RLHICA and DDIN

Effective April 1, 2010, and as amended January 1, 2011, the Company and DDIN entered into an Administrative Services Agreement. Pursuant to the agreement, the Company and/or DDIN may provide certain administrative services to each other including, but not limited to, claims processing, customer service, and managerial services. In 2013, the Company paid DDIN \$0 under the terms of this agreement.

RLHICA and DDMI

Effective December 21, 2009, the Company and DDMI entered into an Administrative Services Agreement. Pursuant to the agreement, the Company and/or DDMI may provide certain administrative services to each other including, but not limited to, claims processing, customer service, and managerial services. In 2013, the Company paid DDMI \$3,654,771 under the terms of this agreement.

RLHICA and RHNY

Effective January 1, 2010, the Company and RHNY entered into an Administrative Services Agreement. Pursuant to the agreement, the Company and/or RHNY may provide certain administrative services to each other including, but not limited to, claims processing, customer service, and managerial services. In 2013, RHNY paid the Company \$102,201 under the terms of this agreement.

RLHICA and DDTN

Effective December 21, 2009, the Company and DDTN entered into an Administrative Services Agreement. Pursuant to the agreement, the Company and/or DDTN may provide certain administrative services to each other including, but not limited to, claims processing, customer service, and managerial services. In 2013, DDTN paid the Company \$224,831 under the terms of this agreement.

RLHICA and DDOH

Effective October 1, 2011, the Company and DDOH entered into an Administrative Services Agreement. Pursuant to the agreement, the Company and/or DDOH may provide certain administrative services to each other including, but not limited to, claims processing, customer service, and managerial services. In 2013, DDOH paid the Company \$9,069 under the terms of this agreement.

RLHICA and DDNC

Effective December 1, 2011, the Company and DDNC entered into an Administrative Services Agreement. Pursuant to the agreement, the Company and/or DDNC may provide certain administrative services to each other including, but not limited to, claims processing, customer service, and managerial services. In 2013, DDNC paid the Company \$64,697 under the terms of this agreement.

RLHICA and TESIA

Effective October 1, 2013, the Company and TESIA entered into an Administrative Services Agreement. Pursuant to the agreement, the Company and/or TESIA may provide certain administrative services to each other including, but not limited to, claims processing, customer service, and managerial services. In 2013, TESIA paid the Company \$0 under the terms of this agreement.

RLHICA and RSS

Effective October 1, 2013, the Company and RSS entered into an Administrative Service Agreement. Pursuant to the agreement, the Company and/or RSS may provide certain administrative services to each other including, but not limited to, claims processing, customer service, and managerial services. In 2013, RSS paid the Company \$63,000 under the terms of the agreement.

Network Access Agreement

Effective December 31, 2008, the Company and MDN (formerly named Dental Wellness Network) entered into a Network Access Agreement. MDN is an indirect, wholly-owned subsidiary of RHC, the Company's sole shareholder. Pursuant to the agreement, MDN provides the Company insureds with access to its network of dentists and enables the Company to offer a Preferred Provider Option in its dental benefits packages. The network access fees paid under the agreement are customary and reasonable for the services being provided in the normal course of business. In 2013, the Company paid MDN \$0 under the terms of this agreement.

Consolidated Tax Allocation Agreement

Effective December 10, 2009, the Company entered into an Allocation and Settlement of Consolidated Federal Income Tax Liability Agreement with RHC and affiliates. Under this agreement, the method of allocation is based upon separate return allocation with current credit for any net operating losses or other items utilized in the consolidated tax return. Amounts owing between the parties shall be settled within thirty (30) days of the estimated tax payments and/or filing of the federal tax return.

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 at December 31, 2013, including but not limited to business auto, directors and officers liability, fiduciary liability, umbrella, and workplace violence.

PENSION, STOCK OWNERSHIP, AND INSURANCE PLANS

The Company has no pension or postretirement benefit plans.

STATUTORY DEPOSITS

The Company reported the following statutory deposits at December 31, 2013:

| <u>State</u> | <u>Book Value</u> | <u>Fair Value</u> |
|----------------------------|---------------------|---------------------|
| For All Policyholders | | |
| Indiana | \$ 1,690,782 | \$ 1,607,690 |
| All Other Special Deposits | | |
| Georgia | 34,834 | 35,127 |
| Missouri | 747,780 | 712,733 |
| New Mexico | 115,708 | 124,945 |
| North Carolina | 465,072 | 468,832 |
| Total | <u>\$ 3,054,176</u> | <u>\$ 2,949,327</u> |

REINSURANCE

Assumed Reinsurance

The Company has two (2) significant assumed reinsurance relationships. The first involves a quota share participation in an AARP Dental program which is underwritten by Dentgra Insurance Company, Dentgra Insurance Company of New England, and Delta Dental Insurance Company. This contract accounted for assumed premiums of approximately \$14.8 million in 2013.

The second program also involves participation in a national program underwritten by Delta Dental Insurance Company. This program covers a large block of retired military personnel and their families and is referred to as the VA HERO program. This program was ended in 2012 with some run-off activity in 2013.

Ceded Reinsurance

As of December 31, 2013, the block of business that the Company reinsured to Pavonia Life Insurance Company of Michigan in 1999, represented ceded reserve credits totaling approximately \$9.3 million. Other small quota share contracts involving the Company ceding business to other Delta Dental Plans were discontinued in 2012.

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, 2012 and 2013, were agreed to the respective Annual Statements. The Annual Statements for the years ended December 31, 2011 through December 31, 2013, were agreed to each year's independent audit report without material exception. The Company's accounting procedures, practices, and account records were deemed satisfactory.

RENAISSANCE LIFE & HEALTH INSURANCE COMPANY OF AMERICA
Assets
As of December 31, 2013

| | <u>Per Examination*</u> |
|---|-------------------------|
| Bonds | \$ 26,198,072 |
| Stocks | |
| Common Stocks | 14,392,190 |
| Cash, cash equivalents and short-term investments | 12,602,720 |
| Subtotals, cash and invested assets | 53,192,982 |
| Investment income due and accrued | 81,690 |
| Premiums and considerations: | |
| Uncollected premiums and agents' balances in the course of collection | 330,574 |
| Amounts receivable relating to uninsured plans | 1,808 |
| Net deferred tax asset | 840,646 |
| Guaranty funds receivable or on deposit | 43,703 |
| Electronic data processing equipment and software | 1,224,630 |
| Receivables from parent, subsidiaries and affiliates | 340,504 |
| Health care and other amounts receivable | 331,356 |
| Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts | 56,387,893 |
| Total | \$ 56,387,893 |

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

RENAISSANCE LIFE & HEALTH INSURANCE COMPANY OF AMERICA
 Liabilities, Capital and Surplus
 As of December 31, 2013

| | Per Examination* |
|--|-------------------|
| Claims unpaid | \$ 3,019,068 |
| Unpaid claims adjustment expenses | 73,441 |
| Aggregate health policy reserves, including the liability for medical loss ratio rebate per the Public Health Service Act | 6,292,262 |
| Premiums received in advance | 3,297,580 |
| General expenses due or accrued | 880,575 |
| Current federal and foreign income tax payable and interest thereon | 2,479,338 |
| Amounts withheld or retained for the account of others | 119,670 |
| Amounts due to parent, subsidiaries and affiliates | 556,209 |
| Aggregate write-ins for other liabilities | 998 |
| TOTAL Liabilities | 16,719,141 |
| Common capital stock | 3,000,000 |
| Gross paid in and contributed surplus | 23,376,765 |
| Unassigned funds (surplus) | 13,291,987 |
| TOTAL Capital and Surplus | 39,668,752 |
| TOTAL Liabilities, Capital and Surplus | 56,387,893 |

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

RENAISSANCE LIFE & HEALTH INSURANCE COMPANY OF AMERICA
Statement of Revenue and Expenses
For the Year Ended December 31, 2013

| | Per Examination* |
|--|------------------|
| Member Months | 1,743,727 |
| Net premium income | \$ 81,780,808 |
| Aggregate write-ins for other health care related revenues | 127,395 |
| TOTAL Revenues | 81,908,203 |
| HOSPITAL and MEDICAL | |
| Other professional services | 49,501,642 |
| Less: | |
| Net reinsurance recoveries | (12,738,464) |
| TOTAL Hospital and Medical | 62,240,106 |
| Claims adjustment expenses, including \$454,980 cost containment expenses | 1,959,371 |
| General administrative expenses | 10,496,555 |
| Increase in reserves for life and accident and health contracts | 273,895 |
| TOTAL Underwriting Deductions | 74,969,927 |
| Net underwriting gain or (loss) | 6,938,276 |
| Net investment income earned | 653,121 |
| Net realized capital gains (losses) less capital gains tax of \$0 | 117,420 |
| Net investment gains (losses) | 770,541 |
| Net gain or (loss) from agents' or premium balances charged off | (1,786) |
| Aggregate write-ins for other income or expenses | 179,645 |
| Net income or (loss) after capital gains tax and before all other federal income taxes | 7,886,676 |
| Federal and foreign income taxes incurred | 2,483,272 |
| Net income (loss) | \$ 5,403,404 |

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

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

| | 2013 | 2012 | 2011 |
|---|----------------------|----------------------|----------------------|
| Capital and surplus prior reporting year | \$ 38,069,085 | \$ 33,197,010 | \$ 22,873,794 |
| Net income or (loss) | 5,403,404 | 4,986,300 | 5,085,892 |
| Change in net unrealized capital gains (losses) | | | |
| less capital gains tax of \$597,996 | 1,160,816 | 526,015 | (133,419) |
| Change in net deferred income tax | (298,321) | (1,171,357) | (1,587,224) |
| Change in nonadmitted assets | (4,666,232) | 531,117 | 1,017,967 |
| Capital Changes: | | | |
| Paid in | - | - | 500,000 |
| Surplus adjustments: | | | |
| Paid in | - | - | 5,440,000 |
| Net change in capital and surplus | 1,599,667 | 4,872,075 | 10,323,216 |
| Capital and surplus end of reporting year | <u>\$ 39,668,752</u> | <u>\$ 38,069,085</u> | <u>\$ 33,197,010</u> |

COMMENTS ON THE FINANCIAL STATEMENTS

There were no recommended adjustments to the financial statements as of December 31, 2013, based on the results of this examination.

OTHER SIGNIFICANT ISSUES

There were no other significant issues requiring disclosure in this Report of Examination.

SUBSEQUENT EVENTS

There were no events subsequent to the examination date and prior to the completion of field work which were considered material events requiring disclosure in this Report of Examination.

AFFIDAVIT

This is to certify that the undersigned is a duly qualified Examiner-in-Charge appointed by the Indiana Department of Insurance and that she, in coordination with staff assistance from Noble Consulting Services, Inc., and actuarial assistance from Actuarial Options, LLC., hereinafter collectively referred to as the "Examiners", performed an examination of Renaissance Life & Health Insurance Company of America, as of December 31, 2013.

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 condition of Renaissance Life & Health Insurance Company of America as of December 31, 2013, as determined by the undersigned.

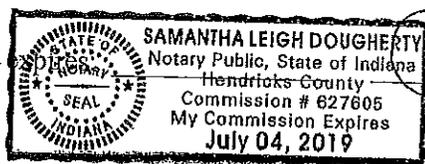
Nadine Treon
Nadine Treon, CFE
Noble Consulting Services, Inc.

State of: Indiana
County of: Marion

On this 14 day of May, 2015, before me personally appeared, Nadine Treon, 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



Samantha Leigh Dougherty
Notary Public

