



**REPORT ON EXAMINATION
AS TO CONDITION OF
AMERIGROUP NEW JERSEY, INC.
ISELIN, NEW JERSEY
AT DECEMBER 31, 2022
NAIC COMPANY CODE #95373
NAIC GROUP CODE #0671**

FILED
June 25, 2024
COMMISSIONER
NEW JERSEY DEPARTMENT
OF
BANKING AND INSURANCE

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State of New Jersey
DEPARTMENT OF BANKING AND INSURANCE
OFFICE OF SOLVENCY REGULATION
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May 30, 2024

Honorable Justin Zimmerman
Acting Commissioner of Banking and Insurance
State of New Jersey
20 West State Street
Trenton, New Jersey 08625

Commissioner:

In accordance with the authority vested in you by the provisions of N.J.S.A. 26:2J-18.1 a financial examination has been made of the assets and liabilities, methods of conducting business, and all other affairs of the:

AMERIGROUP New Jersey, Inc.
101 Wood Avenue South, 8th Floor, Iselin, New Jersey, US 08830
NAIC Code 95373
NAIC Group Code 0671

AMERIGROUP New Jersey, Inc. is a health maintenance organization ("HMO") authorized to transact business in the state of New Jersey, and herein referred to in this report as "AGP-NJ" or the "Company."

The Company is a wholly owned subsidiary of AMERIGROUP Corporation, which is an indirect wholly owned subsidiary of Elevance Health, Inc. ("Elevance Health"). The respective office addresses of the ultimate parent and the Company are as follows:

National Headquarters
Elevance Health, Inc.
220 Virginia Avenue
Indianapolis, Indiana 46204

New Jersey Healthplan
AMERIGROUP New Jersey, Inc.
101 Wood Avenue South, 8th Floor
Iselin, New Jersey 08830

The examination was conducted remotely.

SCOPE OF EXAMINATION

The New Jersey Department of Banking and Insurance (“NJDOBI”) conducted a financial condition examination of the Company for the five-year period ending December 31, 2022, which included a review of material transactions and/or events occurring subsequent to the examination date and prior to the conclusion of fieldwork.

The NJDOBI conducted the examination in accordance with the 2022 edition of the National Association of Insurance Commissioners (“NAIC”) Financial Condition Examiners Handbook (the “NAIC Handbook”). The NAIC Handbook requires NJDOBI to plan and perform the examination in order to evaluate the financial condition and identify prospective risks of the Company. To meet these objectives, NJDOBI obtained information regarding the Company’s corporate governance environment, identified and assessed inherent risks to which it is exposed and evaluated the Company’s system of internal controls and procedures used to mitigate identified risks. The examination also included assessing the principles used and significant estimates made by management, as well as, evaluating the overall Financial Statement presentation, and management’s compliance with Statutory Accounting Principles and Annual Statement instructions when applicable to domestic state regulations.

According to the NAIC Handbook, “One of the increased benefits of the enhanced risk-focused approach is to include ... consideration of other than financial risks that could impact the insurer’s future solvency. By utilizing the enhanced approach, the examiner reviewed the “financial” and “enterprise” risks that existed at the examination “as of” date and will be positioned to assess “financial” and “enterprise” risks that extend or commence during the time the examination was conducted and “prospective” risks which are anticipated to arise or extend past the point of examination completion. Using this approach, examiners will be better positioned to make recommendations for appropriate future supervisory plans (i.e., earlier statutory exams, limited-scope exams, key areas for financial analysts to monitor, etc.) for each insurer.”

All accounts and activities of the Company were considered in accordance with the risk-focused examination process. The examination report only addresses regulatory information revealed by the examination process in accordance with the NAIC Handbook. All other financial matters were reviewed and determined not to be material for discussion in this report.

During this period, the admitted assets of the Company increased by \$459,986,651 to \$773,471,230 from \$313,484,579, liabilities increased by \$340,139,833 to \$492,115,355 from \$151,975,522, and total capital and surplus increased by \$119,846,818 to \$281,355,875 from \$161,509,057.

Balance Sheet

	2022	2021	2020	2019	2018
Admitted assets	\$773,471,230	\$675,929,503	\$549,411,915	\$357,336,307	\$359,018,068
Liabilities	492,115,355	454,699,806	352,419,195	174,922,693	195,189,779
Capital	10	10	10	10	10
Surplus	281,355,865	221,229,687	196,992,710	182,413,604	163,828,279
Total capital and surplus	281,355,875	221,229,697	196,992,720	182,413,614	163,828,289
Total liabilities, capital and surplus	\$773,471,230	\$675,929,503	\$549,411,915	\$357,336,307	\$359,018,068

The Company's Risk Based Capital ("RBC") to capital and surplus ratios were as follows:

Year	Admitted Assets	Liabilities	Net Worth	RBC Ratio
2022	\$773,471,230	\$492,115,355	\$281,355,875	369%
2021	\$675,929,503	\$454,699,806	\$221,229,697	320%
2020	\$549,411,915	\$352,419,195	\$196,992,720	339%
2019	\$357,336,307	\$174,922,693	\$182,413,614	347%
2018	\$359,018,068	\$195,189,779	\$163,828,289	345%

The examination was completed on a coordinated basis with the jurisdictions of Arizona, Arkansas, California, Colorado, Connecticut, District of Columbia, Indiana, Iowa, Kentucky, Louisiana, Maine, Maryland, Mississippi, Missouri, Nebraska, New Jersey, New York, Ohio, Pennsylvania, Texas, Virginia, Washington, West Virginia, and Wisconsin. Indiana acted as the lead state, while the other twenty-three jurisdictions acted as participating states. The conduct of the examination was governed by the procedures outlined in the NAIC Handbook. In determining emphasis to be placed on specific accounts, consideration was given to the Company's accounting methods and system of internal control, the nature and size of each account, its relative importance to solvency, and the annual audit work performed by the Company's certified public accountants for the period under examination.

The coordinated examination officially commenced in the fall of 2022. The Kick-Off Meeting was held remotely in October 2022.

The following key functional activities, related to the Company, were examined on a coordinated basis:

- Capital and Surplus
- Claims and Reserves
- Investments
- Premiums and Underwriting
- Related Parties

The following areas were also examined on a coordinated basis:

- Actuarial Review
- Corporate Governance Review
- Fraud
- Information Systems Review

Additional areas reviewed during this examination, not on a coordinated basis, were as follows:

- Accounts and Records
- Compliance with Prior Report on Examination Recommendations
- Conflict of Interest
- Fidelity Bond and Other Insurance

The examination report, contained herein, is presented using the format in accordance with the NAIC Handbook. The report will address significant balance sheet accounts and, if necessary, comments on those accounts which involve departures from laws, regulations or rules, or which are deemed to require special explanation or description.

HISTORY AND KIND OF BUSINESS

The Company is, a publicly traded company and one of the largest health benefits companies in terms of membership in the United States, serving approximately 47.5 million medical members as of December 31, 2022.

The Company, was incorporated on April 3, 1995, commencing business on February 1, 1996, and is licensed as an HMO in the State of New Jersey only. The Company manages healthcare services for eligible Medicaid recipients in all 21 counties in the State under a contract with the New Jersey Department of Health Services ("DHS"). In addition, the Company manages a Medicare Advantage Plan for eligible beneficiaries in New Jersey, effective January 2018, under a contract with the Centers for Medicare and Medicaid Services that renews annually.

The Company's revenue is generated primarily as a result of premiums earned from health insurance contracts whereby policyholders are indemnified against losses. The Company incurs expenses primarily from health benefit costs, such as outpatient and inpatient care, physician visits, pharmacy benefit and administrative expenses.

AGP-NJ provides coverage to approximately 279,670 New Jersey members as of December 31, 2022. The Company reported 2022 net premium income of \$2,372,259,998. The Company membership during the examination period was:

Membership by Line of Business	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Medicaid	251,900	243,543	227,676	179,633	168,635
Medicare	27,770	24,483	19,702	13,089	9,799
Total Members	<u>279,670</u>	<u>268,026</u>	<u>247,378</u>	<u>192,722</u>	<u>178,434</u>

TERRITORY AND PLAN OF OPERATION

As mentioned above, the Company is licensed as a domestic HMO in New Jersey only, managing healthcare services for eligible Medicaid recipients in all 21 counties in the State under a contract with the DHS. The current contract with the DHS covers the 2023 plan year. In addition, the Company manages a Medicare Advantage Plan under a contract with the Centers for Medicare and Medicaid Services. The contract is rebid on an annual basis and most currently covers the calendar year of 2023.

HOLDING COMPANY SYSTEM

The Company is a member of an Insurance Holding Company as defined in N.J.S.A. 17:27A-1, and as such has registered with the Commissioner of Banking and Insurance of the state of New Jersey under N.J.S.A. 17:27A-3. As previously noted, the ultimate parent of the Company is Elevance Health, a large health insurance holding company currently listed on the New York Stock Exchange. An abbreviated organizational chart showing the relationships between the Company, its parent and affiliated companies is shown below:

	NAIC Co. Code	Domiciliary State/Country
Elevance Health, Inc.		IN
ATH Holding Company, LLC		IN
AMERIGROUP Corporation		DE
AMERIGROUP Community Care of New Mexico, Inc.	12354	NM
AMERIGROUP Insurance Company, Inc.	14078	TX
AMERIGROUP Iowa, Inc.	15807	IA
AMERIGROUP Maryland, Inc.	95832	MD
AMERIGROUP New Jersey, Inc.	95373	NJ
AMERIGROUP Ohio, Inc.	10767	OH
AMERIGROUP Oklahoma, Inc.	15994	OK
AMERIGROUP Pennsylvania, Inc.	16339	PA
AMERIGROUP Tennessee, Inc.	12941	TN
AMERIGROUP Texas, Inc.	95314	TX
AMERIGROUP Washington, Inc.	14073	WA
AMGP Georgia Managed Care Company, Inc.	12229	GA
Community Care Health Plan of Nevada, Inc.	12586	NV
Freedom Health, Inc.	10119	FL
HealthPlus HP, LLC	16574	NY
HealthSun Health Plans, Inc.	10122	FL
Optimum Healthcare, Inc.	12259	FL
Simply Healthcare Plans, Inc.	13726	FL

INTERCOMPANY AGREEMENTS

Administrative Services Agreements

The Company has entered into Administrative Services Agreements with its affiliated companies. Pursuant to these Agreements, various administrative, management and support services are provided to or provided by the Company. The costs and expenses related to these administrative management and support services are allocated to or

allocated by the Company in an amount equal to the direct and indirect costs and expenses incurred in providing these services. Costs include expenses such as salaries, employee benefits, information technology, pharmacy benefits administration, communications, advertising, consulting services, rent, utilities, billing, accounting, underwriting, and product development, which support the Company's operations. These costs are allocated based on various utilization statistics.

Fair Market Value Services Attachment

The Company is a party to the Fair Market Value ("FMV") Services Attachment to the Master Services Agreement with affiliates. The costs and expenses related to certain services including behavioral health, palliative care, utilization management, payment integrity services, subrogation services as well as health and wellness programs are allocated to or allocated by the Company in an amount equal to the fair market value of the services provided. These costs are allocated based on various utilization statistics.

The Company amended its Agreements and added a joinder to the Master Services Agreement with Beacon Health Options, Inc., and Beacon Health Strategies, LLC. The effective date of this amendment is January 1, 2021, and was approved by the NJDOBI on June 28, 2022.

Consolidated Tax Sharing Agreement

The Company is a party to the Consolidated Federal Income Tax Sharing Agreement ("Agreement") amongst Elevance Health and substantially all of its subsidiary companies. Allocation of federal income taxes with affiliates subject to the Agreement is based upon separate income tax return calculations with credit for net losses that can be used on a consolidated basis. Pursuant to the Agreement, the Company has the enforceable right to recoup federal income taxes paid in prior years in the event of future losses, which it may occur, or to recoup its net losses carried forward as an offset to future net income subject to federal income taxes. Intercompany income tax balances are settled based on the Internal Revenue Service due dates.

CORPORATE RECORDS

The corporate records of the Company are maintained at the Elevance Health offices in Indianapolis, Indiana. A review was made of the Board of Directors ("Board") minutes and committee minutes for the period under examination. The review determined that the minutes adequately approve and support the Company's transactions and events.

MANAGEMENT AND CONTROL

The Company's Bylaws provide that the business affairs of the corporation shall be managed by its Board. The Board shall elect the officers of the corporation which shall include a Chairperson, a President, a Secretary, a Treasurer, and other officers deemed necessary.

The Board of the Company as of December 31, 2022, was comprised of the following individuals:

<u>Name</u>	<u>Business Affiliation, Title</u>
Jennifer Ann Dewane	Elevance Health, Inc. Vice President and Counsel
Teresa Thomas Hursey	Elevance Health, Inc. President, Medicaid Health Plan – NJ
Ronald William Penczek	Elevance Health, Inc. Chief Accounting Officer

The officers and key employees of the Company as of December 31, 2022, were as follows:

<u>Name</u>	<u>Title</u>
Teresa Thomas Hursey	Chairperson, President & CEO
Jennifer Ann Dewane	Vice President
Kathleen Susan Kiefer	Secretary
Vincent Edward Scher	Treasurer
Eric Kenneth Noble	Assistant Treasurer

POLICY ON CONFLICT OF INTEREST

Elevance Health's Conflict of Interest Policy requires each associate, including independent directors of wholly owned subsidiaries, to complete a Conflict of Interest statement annually. It was determined that all directors and officers listed in the Management and Control section of this Report on Examination reviewed and signed their Conflict of Interest statements as of December 31, 2022. The relationships reported in the Conflict of Interest statements received were reviewed and were not considered to have a material effect on the Company.

FIDELITY BOND AND OTHER INSURANCE COVERAGES

The Company, through its parent, maintains a Financial Institution Bond issued by Fidelity and Deposit Company of Maryland. This bond has a range of coverages including fidelity bond, forgery or alteration, securities, computer systems fraud, data processing and trading loss. The coverage for this policy for Elevance Health and its affiliates has an aggregate loss liability of \$20,000,000, a single loss limit of liability of \$10,000,000 and a single loss deductible of \$5,000,000.

In addition to the coverage provided under the fidelity bond, the Company, through its parent, carries several insurance policies to cover the hazards to which it is exposed including workers' compensation coverage and the following liability coverages: managed

care errors and omissions, commercial property, cyber, general, auto, umbrella, directors and officers and fiduciary.

CONTINUITY OF OPERATIONS

An information systems review was conducted by the IT examiners from Noble Consulting Services, Inc. As a part of their information systems review, the IT Specialists reviewed Elevance Health's disaster recovery plan and cybersecurity risks. The results of this review were provided to the Company.

TREATMENT OF POLICYHOLDERS

N.J.S.A. 17:29B-4(10) requires the maintenance of a complete record of all written complaints. A review of the complaint files determined that the Company is in compliance with this statute.

ACCOUNTS AND RECORDS

The General Ledger system used by AGP-NJ, PeopleSoft Financials, is consistent with the General Ledger system used across the Elevance Health subsidiaries. PeopleSoft Financials is also used for recording accounts payable, purchasing, and asset management, and was first implemented by Elevance Health in 2003. The computer system that houses PeopleSoft Financials is located in Richmond, Virginia, and is supported by IBM (Database Administration, Server Administration, and Hardware Maintenance), Cognizant Technology Solutions, Elevance Health – Corporate Applications, and Cognizant Technology Solutions On- and Off-Shore Resources.

The PeopleSoft Accounts Receivable (AR) and Billing (BI) system is used enterprise-wide for recording Accounts Receivable and Billing. Elevance Health began using this system in 1997 and the system is supported by IBM (Server Administration and Hardware Maintenance), Elevance Health Financial Operations Applications, Elevance Health Database Services, and Cognizant On- and Off-Shore Resources. The computer system that houses PeopleSoft AR and BI is also located in Richmond, Virginia.

Consistent with Elevance Health's other Government Business Division ("GBD") subsidiaries, AGP-NJ's premiums and claims are processed on GBD Facets, a managed care transaction processing system developed by Cognizant. Elevance Health began using this application in 2005 and the system is supported by the Application Environment Management – Todd Thompson. The computer system that houses this processing system is located in Virginia Beach, Virginia.

FINANCIAL EXHIBITS

The financial statements consist of the following exhibits and notes to financial statements showing the financial condition as of December 31, 2022, as shown in the Annual Statement:

Exhibit A - Statement of Assets, Liabilities, Capital and Surplus as of December 31, 2022

Exhibit B – Statement of Revenue and Expenses for the Five-Year Period Ended December 31, 2022

Exhibit C - Capital and Surplus for the Five-Year Period Ended December 31, 2022

AMERIGROUP NEW JERSEY, INC.
EXHIBIT A
STATEMENT OF ASSETS, LIABILITIES, CAPITAL AND SURPLUS
DECEMBER 31, 2022

	Balance Per Examination	Balance Per Company	Examination Change	Note Number
<u>Assets</u>				
Bonds	\$ 571,037,752	\$ 571,037,752	-	1
Cash, Cash Equivalents, and Short-Term Investments	142,755,879	142,755,879	-	
Securities Lending Reinvested Collateral Assets	6,469,762	6,469,762	-	
Subtotals, Cash and Invested Assets	720,263,393	720,263,393	-	
Investment Income Due and Accrued	4,477,033	4,477,033	-	
Uncollected Premiums and Agents' Balances in the Course of Collection	17,398,985	17,398,985	-	
Accrued Retrospective Premiums and Contracts Subject to Redetermination	19,762,399	19,762,399	-	
Amounts Receivable Relating to Uninsured Plans	333,353	333,353	-	
Net Deferred Tax Asset	5,397,420	5,397,420	-	
Health Care and Other Amounts Receivable	5,838,647	5,838,647	-	
Total Admitted Assets	\$ 773,471,230	\$ 773,471,230	-	
<u>Liabilities</u>				
Claims Unpaid	\$ 202,594,499	\$ 202,594,499	-	2
Accrued Medical Incentive Pool and Bonus Amounts	17,164,372	17,164,372	-	2
Unpaid Claims Adjustment Expenses	5,320,056	5,320,056	-	2
Aggregate Health Policy Reserves	137,358,337	137,358,337	-	2
Premiums Received in Advance	986	986	-	
General Expenses Due or Accrued	81,022,144	81,022,144	-	
Current Federal and Foreign Income Tax Payable	948,231	948,231	-	
Amounts Withheld or Retained for the Account of Others	3,561	3,561	-	
Remittances and Items Not Allocated	189,604	189,604	-	
Amounts Due to Parent, Subsidiaries and Affiliates	9,985,064	9,985,064	-	
Payable for Securities Lending	6,469,762	6,469,762	-	
Liability for Amounts Held Under Uninsured Plans	25,629,862	25,629,862	-	
Aggregate Write-Ins for Other Liabilities	5,428,877	5,428,877	-	
Total Liabilities	\$ 492,115,355	\$ 492,115,355	-	
<u>Surplus</u>				
Common Capital Stock	10	10	-	3
Gross Paid In and Contributed Surplus	40,322,020	40,322,020	-	3
Unassigned Funds (Surplus)	241,033,845	241,033,845	-	3
Total Capital and Surplus	281,355,875	281,355,875	-	
Total Liabilities, Capital, and Surplus	\$ 773,471,230	\$ 773,471,230	-	

AMERIGROUP NEW JERSEY, INC.
EXHIBIT B
STATEMENT OF REVENUE AND EXPENSES
FOR THE FIVE-YEAR PERIOD ENDED DECEMBER 31, 2022

MEMBER MONTHS	2022	2021	2020	2019	2018
	3,258,067	3,116,132	2,683,523	2,256,379	2,252,168
Revenues					
Net Premium Income	\$2,372,259,998	\$2,016,041,024	\$1,759,048,006	\$1,452,529,575	\$1,384,972,022
Change in Unearned Premium Reserves and Reserve for Rate Credits	(14,108,655)	(33,491,157)	(76,474,747)	(590,212)	(3,818,880)
Total Revenues	\$2,358,151,343	1,982,549,867	1,682,573,259	1,451,939,363	1,381,153,142
Expenses					
Hospital and Medical:					
Hospital/Medical Benefits	\$1,157,342,061	\$929,173,897	\$781,868,892	\$679,016,931	622,942,191
Other Professional Services	255,116,031	231,387,341	195,407,586	170,777,350	168,164,075
Emergency Room and Out-of-Area	357,882,416	307,364,853	236,704,077	237,750,573	178,662,744
Prescription Drugs	222,156,249	221,715,547	192,393,538	181,377,100	170,599,944
Aggregate Write-Ins for Other Hospital and Medical Incentive Pool, Withhold Adjustments and Bonus Amounts	-	100,467	-	-	936,000
	21,660,162	15,300,813	11,553,844	15,100,383	16,480,746
Total Hospital and Medical	\$2,014,156,919	\$1,705,042,918	\$1,417,927,937	\$1,284,022,337	\$1,157,785,700
Claims Adjustment Expenses	95,161,885	92,721,861	84,338,726	76,783,394	70,013,284
General Administrative Expenses	179,544,754	154,857,834	141,537,202	82,495,800	96,727,556
Increase in Reserves for Life and Accident and Health Contracts	-	-	-	(4,362,070)	4,362,070
Total Underwriting Deductions	\$2,288,863,558	1,952,622,613	\$1,643,803,865	\$1,438,939,461	\$1,328,888,610
Net Underwriting Gain or (Loss)	69,287,785	29,927,254	38,769,394	12,999,902	52,264,532
Net Investment Income Earned	12,360,487	7,997,484	6,602,375	6,876,025	5,871,546
Net Realized Capital Gains Less Capital Gains Tax	(2,396,422)	(724,423)	336,393	90,117	(8,005)
Net Investment Gains	\$9,964,065	\$7,273,061	\$6,938,768	\$6,966,142	\$5,863,541
Net Gain or (Loss) From Agents' or Premium Balances Charged Off	(122,530)	(81,888)	(36,426)	(14,362)	(3,332)
Aggregate Write-Ins for other Income or Expenses	1,317,606	1,620,575	1,335,364	581,807	-
Net Income After Capital Gains Tax and Before All Other Federal Income Taxes	80,446,926	38,739,002	47,007,100	20,533,489	58,124,741
Federal and Foreign Income Taxes Incurred	15,640,834	6,708,488	15,254,348	1,656,374	16,531,729
Net Income	\$64,806,091	\$32,030,514	\$31,752,752	\$18,877,115	\$41,593,012

AMERIGROUP NEW JERSEY, INC.
EXHIBIT C
CAPITAL AND SURPLUS ACCOUNT
FOR THE FIVE-YEAR PERIOD ENDED DECEMBER 31, 2022

	2022	2021	2020	2019	2018
Capital and Surplus					
Prior Reporting Year	\$221,229,697	\$196,992,720	\$182,413,614	\$163,828,289	\$161,509,057
Net Income	64,806,091	32,030,514	31,752,752	18,877,115	41,593,012
Change in Net					
Unrealized Capital					
Gains (Losses) Less					
Capital Gains Tax	(245,888)	(63,499)	(10,185)	6,239	(6,239)
Change in Net					
Deferred Income Tax	418,226	1,147,771	1,244,559	(1,505,760)	695,156
Change in					
Nonadmitted Assets	(4,852,251)	(8,877,809)	291,980	1,207,731	1,137,303
Dividends to					
Stockholders	-	-	(18,700,000)	-	(41,100,000)
Net Change in Capital	60,126,178	24,236,977	14,579,106	18,585,325	2,319,232
and Surplus					
Capital and Surplus					
End of Reporting					
Period	\$281,355,875	\$221,229,697	\$196,992,720	\$182,413,614	\$163,828,289

NOTES TO FINANCIAL STATEMENTS

Note 1 – Securities on Deposit

AGP-NJ had the following securities held on deposit on behalf of the Company.

<u>State</u>	<u>Par Value</u>	<u>Fair Value</u>
New Jersey	\$243,440,000	\$271,731,945

Note 2 – Actuarial Reserves

Christopher Gorton, ASA, MAAA, signed the AGP-NJ actuarial opinion as of December 31, 2022. He concluded that the actuarial items reported in the balance sheet are in accordance with accepted actuarial standards consistently applied and are fairly stated in accordance with sound actuarial principles.

The actuarial opinion covered the following loss reserve amounts:

Claims unpaid	\$202,594,499
Accrued medical incentive pool and bonus payments	17,164,372
Unpaid claims adjustment expenses	5,320,056
Aggregate health policy reserves including unearned premium reserves, premium deficiency reserves, and additional policy reserves from the Underwriting and Investment Exhibit – Part 2D	137,358,337
Aggregate life policy reserves	0
Property/casualty unearned premium reserves	0
Aggregate health claim reserves	0
Any other loss reserves, actuarial liabilities, or related items presented as liabilities in the annual statement:	
PDE Reject Reserve	252
Specified actuarial items presented as assets in the annual statement:	
Actuarial Portion of Rx Rebate Receivables	5,590,699
CMS – Medicare Final Sweep	15,499,618
Risk Corridor Receivable	4,262,781
Provider Settlement Receivables	8,564,933

Davies North America (“Davies”), was appointed to conduct a review of statutory reserves as of December 31, 2022. The Actuarial Specialist concluded that the reserves are fairly stated and related risks were adequately mitigated. The Life & Health Actuarial Division of the NJDOBI reviewed the Davies Report on the Actuarial Examination of the Elevance Health Group and accepted the reported reserves without adjustment.

Note 3 – Surplus as Regards Policyholders

The Company reported surplus as regards to policyholders at December 31, 2022 of \$281,355,875 which consisted of common capital stock of \$10, gross paid in and contributed surplus of \$40,322,020 and unassigned funds of \$241,033,845.

SUBSEQUENT EVENTS

Effective January 31, 2023, AMERIGROUP Maryland, Inc. changed its name to Wellpoint Maryland, Inc.

Effective February 1, 2023, Amerigroup Oklahoma, Inc. was voluntarily dissolved in the State of Oklahoma.

Effective July 12, 2023, AMERIGROUP Ohio, Inc. changed its name to Wellpoint Ohio, Inc.

Effective July 19, 2023, AMERIGROUP Tennessee, Inc. changed its name to Wellpoint Tennessee, Inc.

Effective July 21, 2023, the Company changed its name to Wellpoint New Jersey, Inc.

Effective July 24, 2023, AMERIGROUP Washington, Inc. changed its name to Wellpoint Washington, Inc.

Effective July 27, 2023, AMERIGROUP Texas, Inc. changed its name to Wellpoint Texas, Inc.

Effective July 27, 2023, the Company's parent, AMERIGROUP Corporation changed its name to Wellpoint Corporation.

Effective July 28, 2023, Amerigroup Iowa, Inc. changed its name to Wellpoint Iowa, Inc.

Effective August 9, 2023, Amerigroup Insurance Company, Inc. changed its name to Wellpoint Insurance Company.

CONCLUSION

The undersigned hereby certifies that an examination has been made of AGP-NJ and the foregoing report is true to the best of my knowledge and belief.

Respectfully submitted,



Dan Schoettle, CFE, CPA
Examiner-In-Charge
Representing the State of New Jersey

Under the supervision of,



Nancy Lee Chice, CFE Reviewer
New Jersey Department of Banking and Insurance

AFFIDAVIT

I, Dan Schoettle, the undersigned, hereby certify that the foregoing Report of Examination accurately discloses, to the best of my knowledge, all material and relevant information related to the financial condition of AGP-NJ in accordance with the NAIC Handbook and New Jersey State Regulations.

Respectfully submitted,

Dan Schoettle

Dan Schoettle, CFE, CPA, Examiner-in-Charge
Noble Consulting Services, Inc.
Representing the State of New Jersey
Department of Banking and Insurance

Under the supervision of:

Nancy Lee Chice

Nancy Lee Chice, CFE Reviewer
New Jersey Department of Banking and Insurance

State of New Jersey

County of Mercer

Subscribed and sworn to before me, Sheila M. Tkacs, on
this 31st day of May, 2024.

Sheila M. Tkacs

Notary Public of New Jersey

My commission expires: July 2025