DISSOLUTION REPORT

OF

HEALTHCARE DELAWARE INC.

AS OF

MAY 29, 2026

TRINIDAD NAVARRO
COMMISSIONER

STATE OF DELAWARE
DEPARTMENT OF INSURANCE

REPORT ON DISSOLUTION EXAMINATION

OF

HEALTHCARE DELAWARE, INC.

AS OF

MAY 29, 2026

The above-captioned report was completed by examiners of the Delaware Department of Insurance.

Consideration has been duly given to the comments, conclusions and recommendations of the examiners regarding the status of the company as reflected in the report.

This report is hereby accepted, adopted and filed as an official record of this Department.

Trinidad Navarro
Insurance Commissioner

Dated this 11 day of August, 2026

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July 7, 2026

Honorable Trinidad Navarro
Commissioner of Insurance
Delaware Department of Insurance
1351 West North Street Suite 101
Dover, Delaware 19904

Dear Commissioner:

In compliance with instructions and pursuant to statutory provisions contained in Examinatino Certification No. 26.914, dated June 2, 2026, a Dissolution Examination has been made of the affairs, financial condition and management of

HEALTHCARE DELAWARE, INC.

hereinafter referred to as HDI or the Company. The Company was incorporated under the laws of the State of Delaware as a stock company with its registered office located at CT Corp. 1209 Orange Street, Wilmington, Delaware 19801. The administrative offices of the Company are located at 1901 Market Street, Philadelphia, PA 19103.

SCOPE OF EXAMINATION

This Dissolution Report is a limited-scope examination and is not intended to communicate all matters of importance for an understanding of the Company's financial condition. The last full-scope financial examination of the Company was performed by the Delaware Department of Insurance (Department) as of December 31, 2021. This Dissolution Examination is as of May 29, 2026.

As a result of a shareholder decision, the Company has resolved to surrender its certificate of authority and thereby convert to a Delaware general business corporation, following which the Company will merge with and into an affiliate with that affiliate being the merger survivor. These transactions will end the separate corporate existence of the Company. This plan has been reviewed with, and approved by the Department subject to completion of this Dissolution Examination. Accordingly, this Dissolution Examination was performed by the Department to:

- Verify the remaining cash and invested assets of the Company and review the nature and extent of any operating receivables that may exist.
- Verify the Company has no gross or net policyholder liabilities or other material liabilities other than residual general operating expenses.
- Review documents as necessary to verify reported balances, disclosures and management representations in connection with the Company's dissolution.

HISTORY

The Company was organized and incorporated as a stock insurance company under the laws of Delaware on August 1, 1986 and received it's Certificate of Authority on October 25, 1986. The Company was originally owned and operated by St. Francis Health Services. On August 26, 1991, all of HDI's outstanding company common stock was sold to QCC, Inc. (QCC). In 1995, the name of QCC was changed to AmeriHealth, Inc. Effective July 1, 2014, the Company became a wholly owned subsidiary of Independence Blue Cross, LLC (IBC LLC). IBC LLC is a subsidiary of AmeriHealth Inc, which is a subsidiary of the ultimate parent Independence Health Group (IHG).

PROCEDURES PERFORMED

Procedures performed for the period January 1, 2023 through July 7, 2026 and subsequently included:

- A review of the Company's 2025 *National Association of Insurance Commissioners* (NAIC) Annual Statement and the March 31, 2026 NAIC Quarterly Statement.

- A review of the Company's bank account statements from December 2025 thru June, 2026.
- A review of the Company's shareholder and Board of Director (Board) meeting minutes from April 18, 2023 thru March 30, 2026.

A review of the Company's significant related party agreements in effect as of May 29, 2026.

- A review of the Company's reinsurance agreement in effect during the examination period.
- A review of the Company's exemption from filing audited statutory financial statements and an Actuarial Opinion for Q4 of 2025, as approved by the Department.

SUMMARY CONCLUSIONS

The following is a summary of significant conclusions pertaining to the Company's proposed dissolution as determined by the examination procedures performed. This examination reviewed the following segments to ensure that the Company complied with the dissolution requirements of the Department and ensure there were no unidentified material liabilities.

Corporate Records

The recorded minutes of the Shareholder and Board were reviewed for the period under examination. The minutes of the Shareholder and Board contained approval of the Company's dissolution, which is contingent upon the approval by the Department.

Related Party Agreements

The following related party agreements were reviewed for the period under examination:

Consolidated Income Tax Allocation Agreements

Effective December 9, 1993, as amended and restated effective February 1, 2001, and as thereafter further amended and restated effective July 1, 2014, the Company entered into a consolidated tax sharing agreement between and among IHG and its qualifying subsidiaries. This agreement, approved by the Company's Board, states that the total consolidated federal income tax for all entities is allocated to each entity based upon separate return calculations with current credit for losses. Intercompany tax balances are settled monthly.

Master Services Agreement

Effective July 1, 2014, IHG provides executive administration, legal, data processing services and treasury, including cash management and investment portfolio management services. Fees for these services are allocated on a cost basis, overhead and administration costs for which direct cost allocation is impractical shall be allocated consistent with Statutory Accounting Principles. All balances are settled monthly between the parties.

Treasury Services agreement

Effective January 1, 1999, and most recently amended July 1, 2014, IHG provides daily cash management and investment of cash flows for the Company. Costs for this agreement is pro-rated with respect to the program balances of all participants.

Balance Sheet

The Company's 2025 NAIC Annual Statement, March 31, 2026 NAIC Quarterly Statement and subsequent transactions were reviewed as part of this examination. Significant transactions, reported balances, disclosures and management representations were reviewed and verified.

The following Statement of Assets, Liabilities and Policyholder Surplus was compiled as of March 31, 2026 general ledger:

Statement of Assets, Liabilities and Policyholder Surplus
As of March 31, 2026

Assets	
Cash, cash equivalents and short-term investments	$ 1,983,839
Aggregate write-ins for other than invested assets	6,500
Total	$ 1,990,339
Liabilities	
Current federal and foreign income tax payable and interst thereon	$ 723
Amounts due to parent, subsidiaries and affiliates	613
Total	$ 1,336
Policyholder Surplus	
Common capital stock	$ 300,000
Gross paid in and contributed surplus	10,500,000
Unassigned funds (surplus)	(8,810,997)
Total	$ 1,989,003
Total Liabilities and Policyholder Surplus	$ 1,990,339

The Company has complied with the dissolution requirements of the Department. The examination was conducted by the undersigned.

Respectfully Submitted,

Albert M. Piccoli, Jr.
Examiner-In-Charge
Delaware Department of Insurance

Anthony Cardone, CFE
Supervisor In Charge
Delaware Department of Insurance

I, Albert M. Piccoli, Jr. hereby verify and attest, under penalty of perjury, that the above is a true and correct copy of the examination report and findings submitted to the Delaware Department of Insurance pursuant to Examination Certification No. 26.914.

Albert M. Piccoli Jr., CFE