

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Proceedings by the Commissioner of)
Banking and Insurance, State of New Jersey,) CONSENT
with respect to Oscar Insurance Corporation) ORDER
of New Jersey (NAIC No. 15585))

TO: Oscar Insurance Corporation of New Jersey
295 Lafayette Street
New York, N.Y. 10012

This matter, having been opened by the Commissioner of Banking and Insurance, State of New Jersey, upon the filing of a Market Conduct Examination Report ("Report") containing the results of the January 1, 2016 to June 30, 2016 examination of the practices of Oscar Insurance Corporation of New Jersey ("Company") with respect to preparation and use of Summaries of Benefits and Coverages, as performed by the New Jersey Department of Banking and Insurance ("Department") pursuant to the authority provided at N.J.S.A. 17:23-20 et seq.:

and

WHEREAS, the market conduct examination did not reveal instances of noncompliance with various provisions of New Jersey insurance statutes or regulations.

NOW, THEREFORE, IT IS on this 29th day of August, 2017

ORDERED AND AGREED that the attached Report will be adopted and filed as an official record of the Department; and

IT IS FURTHER ORDERED AND AGREED that, pursuant to N.J.S.A. 17:23-24d(1), within 30 days of the adoption of the Report, the Company shall file an affidavit with the

Department's Market Conduct Unit, stating under oath that its directors have received a copy of the adopted Report.



Peter L. Hartt
Director of Insurance

Date: 8-29-17

Consented by the Company to its to form, content and entry

By: [Handwritten Signature]

[Handwritten Name and Title]
Printed Name, Title

Date: 8/29/17



State of New Jersey
DEPARTMENT OF BANKING AND INSURANCE
CONSUMER PROTECTION SERVICES
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PETER L. HARTT
Director

August 31, 2017

Honorable Richard Badolato
Commissioner of Insurance
State of New Jersey
Department of Banking and Insurance
20 West State Street
P.O. Box 329
Trenton, N.J. 08625

Dear Commissioner Badolato,

Pursuant to the authority provided in N.J.S.A. 26:2J-18.1 and N.J.S.A. 17:23-22, and in accordance with your instructions, a market conduct examination of the business practices and affairs was conducted on:

Oscar Insurance Corporation of New Jersey, NAIC code 15585
Domiciled in West Trenton, New Jersey

hereinafter referred to as "Oscar." The field work for the Oscar examination was conducted in our Trenton, N.J. office. The following report is respectfully submitted on behalf of the examination team. Through a deliberative process, I certify the accuracy of the findings presented herein.

Clifton J. Day, MPA, MCM, CPM, CSM
Chief of Market Regulation and Consumer
Protection Services

MARKET CONDUCT EXAMINATION

of

**OSCAR INSURANCE CORPORATION OF NEW JERSEY
(NAIC Company Number 15585; Group Number 4818)
Domiciled in New Jersey**

as of

February 6, 2017

BY EXAMINERS

of the

STATE OF NEW JERSEY

DEPARTMENT OF BANKING AND INSURANCE

DIVISION OF INSURANCE

OFFICE OF CONSUMER PROTECTION SERVICES

MARKET REGULATION SECTION

REPORT ADOPTED: AUGUST 31, 2017

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I. INTRODUCTION

This is a report of the Market Conduct activities of Oscar Insurance Corporation of New Jersey (hereinafter referred to as “Oscar” or the “Company”). Authority for this examination is found at N.J.S.A. 17:23-22. Market Conduct Examiners from the New Jersey Department of Banking and Insurance (hereinafter referred to as the “Department” or “DOBI”) conducted this examination. The examiners present their findings, conclusions and recommendations in this report as a result of their market conduct examination of the Company. The Market Conduct Examiners were Examiner-in-Charge Robert Greenfield and examiners Marleen Sheridan, William Sonntag, Richard Segin, Erin Porter and Michael Wise.

A. Scope of Examination

Pursuant to 45 C.F.R. 147.200(a) (individual plans), a health insurance issuer offering an individual health benefits plan is required to provide a Summary of Benefits and Coverage (hereinafter referred to as “SBC”) for each benefit plan without charge to individuals upon application, renewal, reissuance and reinstatement. The SBC is to include among other things, a description of the coverage, including cost sharing, for each category of benefits and the exceptions, reductions and limitations of coverage. The scope of the examination included a census review of SBCs for health benefits plans issued in the individual market to determine their accuracy. The examiners deemed an SBC to be accurate if it: 1) provided information consistent with the benefit summary that accompanied the rate filings for the pertinent health benefits plan as filed with the Department; and 2) complied with the limitations on cost sharing at N.J.A.C. 11:22-5.1 et seq.

The review period for this examination included SBCs issued as of January 1, 2016 and June 1, 2016. The examiners conducted this review at its Trenton, NJ office between June 27, 2016 and December 31, 2016.

Population sampling of Oscar’s product portfolios was unnecessary because the examiners conducted a census review of specimen copies of all 2016 individual health benefits plans and their corresponding SBCs. The examiners conducted this review in accordance with the National Association of Insurance Commissioners’ (hereinafter referred to as “NAIC”) Market Regulation Handbook, Chapters 14, 16, 20 and 20A.

B. Error Ratios

Error ratios are the percentage of SBCs reviewed which contained an error. A SBC is counted as an error when the stated benefit, benefit level, cost sharing or limitation is inconsistent with the information that accompanied the rate filing for that health benefits plan. As an example, an SBC that listed a \$10 co-pay for a physical therapy visit would be in error if the information in the rate filing showed a \$20 co-pay for physical therapy.

If a single SBC contains multiple errors, the examiners will count that SBC only once in calculating error ratios. However, any SBC that contains more than one error will be cited more than once in the report.

The examiners submitted written inquiries to Company representatives on the findings outlined in this report. These inquiries provided Oscar with an opportunity to respond to the examiners' findings and to provide exceptions to any statutory and/or regulatory errors or mishandling reported herein.

C. Company Profile

Oscar Insurance Corporation was founded in 2012 in New York and is a wholly owned subsidiary of Mulberry Health Inc. ("MHI"). MHI is the 100% owner of Oscar Insurance Company of Texas, Oscar Insurance Corporation of New Jersey, and Oscar Health Plan of California. Oscar sold policies in the state of New Jersey in the individual market, both on and off the federal and state exchanges. The Oscar holding company system has reported no mergers or acquisitions.

II. SUMMARY OF BENEFITS AND COVERAGE REVIEW

A. Introduction

As of January 1, 2016, Oscar maintained a total of 39 SBCs. The Company offers Exclusive Provider Organization plans at the Gold, Silver and Bronze levels with various features and cost sharing options.

B. Error Ratios

The examiners calculated the error ratios by applying the procedure outlined in the introduction of this report. As indicated in the chart below, the examiners reviewed a census population of 39 specimen SBCs and the benefit information in the rate filings for the pertinent plans. As outlined below, the examiners found no errors in this review.

Summary of Benefits and Coverages (SBC) Error Ratio Chart

<u>Company</u>	<u>SBC Documents Reviewed</u>	<u>SBC Documents in Error</u>	<u>Error Ratio</u>
Oscar Insurance Corporation of New Jersey	39	0	0%

C. Examiners' Findings

1. Consistency between Summary of Benefits and Coverages and Benefit Summaries included in the associated Rate Filing. Zero Files in Error

The examiners reviewed 39 SBCs and found no errors when comparing SBCs to benefit information in the appropriate rate filings. The examiners also reviewed all SBCs to determine compliance with N.J.A.C. 11:22-5.1 et seq. The examiners found no errors in these reviews.

III. VERIFICATION PAGE

I, Robert Greenfield, am the Examiner-in-Charge of the Market Conduct Examination of Oscar Insurance Corporation of New Jersey, conducted by examiners of the New Jersey Department of Banking and Insurance. This verification is based on my personal knowledge as acquired in my official capacity.

The findings, conclusions and recommendations contained in the foregoing report represent, to the best of my knowledge, a full and true statement of the Market Conduct Examination of Oscar Insurance Corporation of New Jersey as of February 6, 2017.

I certify that the foregoing statements are true. I am aware that if any of the foregoing statements made by me is willfully false, I am subject to punishment.

March 5, 2017
Date

Robert Greenfield
Robert Greenfield
Examiner in Charge
New Jersey Department of Banking
and Insurance