

BEFORE THE NEW MEXICO OFFICE OF SUPERINTENDENT OF INSURANCE

IN THE MATTER OF THE)
 DELTA DENTAL PLAN OF)
 NEW MEXICO, INC.)
 NAIC #47287, GROUP #477)
 Respondent.)

Docket No. 2025-0077

ORDER ADOPTING EXAMINATION REPORT

THIS MATTER comes before the New Mexico Office of Superintendent of Insurance (“Superintendent” or “OSI”) upon the Report of Examination of DELTA DENTAL PLAN OF NEW MEXICO, INC. *NAIC Company Code: 47287, Group Code: 477, for the period January 1, 2023 – December 31, 2024* (“Examination Report”) that was submitted to OSI by Lewis & Ellis, LLC, on or about May 8, 2026; whereupon, having reviewed the report and being otherwise fully informed,

THE SUPERINTENDENT HEREBY FINDS:

1. On May 8, 2025, an Order for Examination (“Order”) was issued by the Superintendent in the above-captioned matter. The Order was filed the same day.
2. Lewis & Ellis, LLC. was appointed as the Examiner representing the Superintendent in said examination.
3. DELTA DENTAL PLAN OF NEW MEXICO, INC. NAIC Company Code: 47287, Group # 477 is the Respondent in this matter.
4. Lewis & Ellis, LLC. completed its examination of Respondent on or about May 8, 2026, and promptly sent a copy of the Examination Report to OSI. *See Exhibit A.*
5. Respondent was also provided a copy of the Examination Report.

6. The Examiner made no material findings. On June 10, 2026, Respondent notified OSI that it accepted the Examination Report “as final”. Respondent further stated it wished to “accelerate its filing by waiving the 20-day review period”.

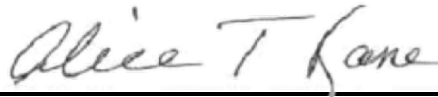
7. Pursuant to NMSA 1978, § 59A-4-10, the Superintendent has fully considered and reviewed the Examination Report and finds good cause to adopt the Examination Report as filed.

IT IS THEREFORE ORDERED:

- A. The Examination Report is adopted as filed, effective immediately.
- B. Pursuant to NMSA 1978, § 59A-4-11, the Examination Report shall be made part of the public record in this docket.
- C. This docket is now closed.

DONE AND ORDERED this 22 day of June, 2026.

SUPERINTENDENT OF INSURANCE

A handwritten signature in cursive script that reads "Alice T Kane". The signature is written in dark ink and is positioned above a solid horizontal line.

ALICE KANE

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on this 29th June, 2026 I filed the foregoing *Order* through the OSI's e-filing system, which caused the parties indicated below to be served by electronic means.

Glenn R. Simon, CPA, CGMA
Director-Financial & Regulatory Reporting
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Respondent

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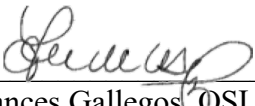
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Frances Gallegos, OSI Senior Paralegal



**REPORT OF EXAMINATION
OF**

DELTA DENTAL PLAN OF NEW MEXICO, INC.

**NAIC Company Code: 47287
100 Sun Avenue NE, Suite400
Albuquerque, New Mexico 87109**

**as of
December 31, 2024**

**BY THE
NEW MEXICO OFFICE OF SUPERINTENDENT OF INSURANCE**

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April 22, 2026

Honorable Alice T. Kane
Superintendent
New Mexico Office of Superintendent of Insurance
1120 Paseo De Peralta
Santa Fe, NM 87501

Dear Superintendent:

Pursuant to your instructions and the Order for Examination Docket No. 2025-0077, in compliance with New Mexico Statutes (NMSA) 1978 § 59A-4-5, and in accordance with the practices and procedures promulgated by the National Association of Insurance Commissioners (NAIC), we have conducted an examination as of December 31, 2024, of the financial condition and business affairs of:

**Dela Dental Plan of New Mexico, Inc.
100 Sun Avenue, NE Suite 400
Albuquerque, New Mexico 87109**

Hereinafter referred to as the "Company" or "DDNM". The following report of examination is respectfully submitted.

SCOPE OF EXAMINATION

Period Covered by Examination

The New Mexico Office of Superintendent of Insurance (OSI) has performed its full scope-single-state examination of Delta Dental Plan of New Mexico, Inc., in accordance with NMSA 1978 §59A-4-5(A). This examination covers the period from January 1, 2023, through December 31, 2024, including material transactions and/or events occurring subsequent to the examination date, through the end of the examination fieldwork, April 22, 2026. The last examination was completed as of December 31, 2022. This examination was part of a coordinated examination, led and facilitated by Michigan. Other states who participated in this exam were Indiana, New York, North Carolina, and Ohio.

Examination Procedures Employed

The examination was conducted in accordance with the NAIC Financial Condition Examiners Handbook (Handbook). The Handbook requires that the examination be planned and performed 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.

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 the NAIC Statements of 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 facts and includes information obtained from the examination of the records, accounts, files and documents of or relative to the Company and other information as permitted by NMSA 1978 §59A-4-9. There may be other items identified during the examination that, due to their nature (for example, subjective conclusions or proprietary information), are not included within the examination report but separately communicated to other regulators and/or the Company.

SUMMARY OF SIGNIFICANT FINDINGS AND RECOMMENDATIONS

Current Examination Findings

There were no significant findings or recommendations deemed necessary for inclusion within this examination report.

Prior Examination Findings

There were no significant findings or recommendations as a result of the prior examination.

COMPANY HISTORY

General

The Company was incorporated as a nonprofit, tax exempt organization on May 6, 1971, and became licensed as a Nonprofit Healthcare Plan in the State of New Mexico pursuant to NMSA 1978 §59A-47.

In 2008, the Company joined the Renaissance Health Service Corporation (RHSC) holding company system, which included Delta Dental Plan of Michigan, Inc., Delta Dental Plan of Ohio, Inc., Delta Dental Plan of Indiana, Inc., Delta Dental of Tennessee, and Delta Dental of Kentucky, Inc. Delta Dental of North Carolina and Delta Dental Plan of Arkansas, Inc. later joined the affiliation in 2010 and 2012, respectively. The Delta Dental affiliates (excluding Delta Dental of North Carolina) are investors in the for-profit Renaissance Holding Company, whose wholly owned subsidiaries, Renaissance Life & Health Insurance Company of America and Renaissance Life & Health Insurance Company of New York, are together licensed to sell and administer insurance plans in all 50 states.

Mergers and Acquisitions

There were no mergers or acquisitions during the examination period.

Dividends and Capital Contributions

The Company did not pay any dividends or receive any capital contributions during the examination period.

MANAGEMENT & CONTROL INCLUDING CORPORATE GOVERNANCE

Board of Directors

The following persons served as the Company's Directors as of December 31, 2024:

Name and Residence	Principal Occupation
Christine Nielsen Nathe, Chair Albuquerque, NM	Executive Director of Dental Hygiene Program University of New Mexico
Fred Andrew Cisneros, Vice Chair Albuquerque, NM	President Cisneros Design, Inc.
Andrew William Dolan Albuquerque, NM	Private Equity Fund Manager DXD Capital
Robin Ann Dozier Otten, JD Albuquerque, NM	President RDO Strategic Consultants, LLC
Lawrence Thomas Peterson Albuquerque, NM	Executive Vice President Bradbury Stam Construction
Kristin Hendricks, DDS Santa Fe, NM	Board Certified Pediatric Dentist & Principal Dentistry for Kids
Melissa Ravago, DMD Albuquerque, NM	Doctor of Dental Medicine & Principal Ravago Dental
Ron Rivera, CPA, CVGA Placitas, NM	Partner (retired) REDW Advisors & CPAs
Mary Alice Walker-Lysak, CPA Roswell, NM	Chief Financial Officer Armstrong Energy Corp

Officers

The following is a list of key officers and their respective titles as of December 31, 2024:

Name	Title
Louis Volk III	President & Chief Executive Officer
Amy Lyn Basel	Chief Financial Officer & Treasurer
Claudio Quinn Lopez	Chief Legal Officer & Secretary
Christine Nielsen Nathe	Chairperson

Committees

As of December 31, 2024, the Company's Board of Directors had established the following committees:

Transactions and Agreements with Affiliates

During the period under examination, the Company filed annual registration statements as required by NMSA 1978 §59A-37. The registration statements disclosed that the Company is a party to numerous intercompany transactions and agreements with its affiliates, which are subject to OSI's review and approval. The following affiliated agreements were in place as of the examination date:

Administrative Services Agreement

Beginning in 2017, an intercompany Administrative Services Agreement (ASA) replaced all previous agreements whereby certain services are provided for a variety of functions, including but not limited to, claim systems, underwriting, individual product customer support, financial, and information system and security services. The purpose of this Agreement is to streamline services between and among the members of the holding company system and provide for efficient and accurate payment arrangements. Pursuant to the ASA, each of the parties to the ASA may provide, as "Service Provider," certain administrative services to any of the other parties to the ASA, as "Service Recipient," including, but not limited to, claims processing, customer service, and managerial services, as the functions of each entity require and allow. For the year ended December 31, 2024, the Company paid \$3,081,315 to Delta Dental Plan of Michigan (DDMI) and \$882,571 to Renaissance Life & Health Insurance Company of America (RLHICA) for services provided under the ASA.

Investment Advisory Agreement

Effective July 16, 2018, the Company entered into an Investment Advisory Agreement with Red Cedar Investment Management, LLC (RCIM) for the purposes of managing a portion of its assets on a fully discretionary basis. For the year ended December 31, 2024, the Company paid \$233,465 to RCIM.

TERRITORY AND PLAN OF OPERATION

The Company is licensed to transact business only in the state of New Mexico and provides dental insurance coverage and third- party administration services for self-insured plans. Through its insurance and third-party administrative services, the Company provides access to dental services to its enrolled groups through fee-for-service and PPO plans. The Company began offering individual dental coverage in 2016. The Company utilized insurance producers to market its products. Total written premiums as of December 31, 2024, were \$66,044,891.

REINSURANCE

The Company does not cede or assume reinsurance during this examination period.

GROWTH OF COMPANY

The following exhibit depicts certain aspects of the growth and financial history of the Company for the period subject to this examination, according to its annual statements filed with the OSI:

<u>Year</u>	<u>Admitted Assets</u>	<u>Liabilities</u>	<u>Capital and Surplus</u>	<u>Total Revenues</u>	<u>Net Income</u>
2024	\$87,533,429	\$5,749,303	\$81,784,126	\$66,044,891	\$4,751,460
2023	\$80,971,794	\$6,803,084	\$74,168,710	\$68,528,888	\$848,858

FINANCIAL STATEMENTS

There follows a statement of assets, liabilities, surplus and other funds, and a statement of revenue and expenses as of December 31, 2024, together with a reconciliation of capital and surplus for the period under review, as reported by the Company in its 2024 Annual Statement. (Note: Failure of the columns to add to the totals reflected in this Report is due to rounding.)

Delta Dental Plan of New Mexico, Inc.

Assets

as of December 31, 2024

	<u>Assets</u>	<u>Non-Admitted Assets</u>	<u>Net Admitted Assets</u>
Bonds	\$41,364,291		\$41,364,291
Common Stocks	32,044,624		32,044,624
Cash, cash equivalents, and short-term investment	10,114,701		10,114,701
Aggregate write-ins for invested assets	109,295		109,295
Investment income due or accrued	398,410		398,410
Premiums and considerations:			
Uncollected premiums and agents' balances	274,194	3,236	270,958
Amounts receivable relating to uninsured plans	3,011,202		3,011,202
Electronic data processing equipment and software	12,216		12,216
Furniture and equipment	554,418	554,418	0
Receivables from parent, subsidiaries, and affiliates	179		179
Aggregate write-ins for other than invested assets	<u>328,362</u>	<u>120,809</u>	<u>207,553</u>
Totals	<u><u>\$88,211,892</u></u>	<u><u>\$678,463</u></u>	<u><u>\$87,533,429</u></u>

Delta Dental Plan of New Mexico, Inc.
Liabilities, Capital and Surplus
as of December 31, 2024

Claims unpaid	\$1,579,100
Unpaid claims adjustment expenses	47,949
Aggregate health policy reserves, including the liability of \$0 for medical loss ratio rebate per the Public Health Service Act	150,651
Premiums received in advance	278,133
General expenses due or accrued	1,571,954
Amounts withheld or retained for the account of others	289,562
Amounts due to parent, subsidiaries and affiliates	1,121,904
Liability for amounts held under uninsured plans	347,259
Aggregate write-ins for other liabilities	<u>362,791</u>
 Total Liabilities	 \$5,749,303
 Aggregate write-ins for other than special surplus funds	 \$249,719
Unassigned funds (surplus)	<u>81,534,407</u>
 Total Capital and Surplus	 <u>\$81,784,126</u>
 Totals	 <u><u>\$87,533,429</u></u>

Delta Dental Plan of New Mexico, Inc.
Statement of Revenue and Expenses
as of December 31, 2024

Member Months	<u>1,994,061</u>
Net premium income	<u>\$66,044,891</u>
Total Revenues	66,044,891
Hospital and Medical:	
Other professional services	<u>53,636,934</u>
Total Hospital and Medical	53,636,934
Claims adjustment expenses, including \$0 cost containment expenses	2,333,509
General administrative expenses	8,640,608
Total Underwriting Deductions	<u>64,611,051</u>
Net underwriting gain or (loss)	1,433,840
Net investment income earned	\$2,495,880
Net realized capital gains (losses) less capital gains tax	<u>809,841</u>
Net Investment gains (losses)	3,305,721
Net gain or (loss) from agents' or premium balances charged off	(3,585)
Aggregate write-ins for other income or expenses	<u>15,484</u>
Net income or (loss) after capital gains tax and before all other federal income taxes	<u>4,751,460</u>
Net Income	<u>\$4,751,460</u>

Delta Dental Plan of New Mexico, Inc.
Reconciliation of Capital and Surplus Account
as of December 31, 2024

	<u>2024</u>	<u>2023</u>
Total Capital and Surplus		
December 31, prior year	<u>\$74,168,710</u>	<u>\$69,911,182</u>
Net income or (loss)	4,751,460	848,858
Change in net unrealized capital gains or (losses) less capital gains tax of \$0	2,732,343	3,273,840
Change in non-admitted assets	118,916	123,473
Aggregate write-ins for gains or (losses) in surplus	<u>12,697</u>	<u>11,357</u>
Net change in capital and surplus	<u>7,615,416</u>	<u>4,257,528</u>
Capital and Surplus		
end of reporting year	<u>\$81,784,126</u>	<u>\$74,168,710</u>

ANALYSIS OF CHANGES AND COMMENTS ON FINANCIAL STATEMENTS

Total Capital and Surplus

\$81,784,126

Total Capital and Surplus, as established by this examination, is the same as what was reported by the Company in its 2024 Annual Statement. In addition, there were no changes made to any asset or liability item as a result of the examination performed as of December 31, 2024. The surplus as regards policyholders, which totaled \$81,784,126 as of the examination date, was determined to be reasonably stated and in compliance with NMSA 1978 §59A-5-16.

SUBSEQUENT EVENTS

In 2025, Christine Nielsen Nathe resigned as a Board of Director and Chairperson, and Fred Andrew Cisneros was appointed Chairperson.

CONCLUSION AND ACKNOWLEDGEMENT

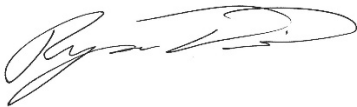
As a result of this examination, the financial condition of Delta Dental Plan of New Mexico, Inc. as of December 31, 2024, is summarized as follows:

Assets	<u>\$87,533,429</u>
Liabilities	\$5,749,303
Equity	<u>\$81,784,126</u>
Total Liabilities and Equity	<u>\$87,533,429</u>

It is concluded that the Company meets the minimum surplus requirements pursuant to NMSA 1978 §59A-5-16.

The courteous cooperation of the officers and employees of the Company, extended during the course of the examination, is hereby acknowledged.

Respectfully submitted,



Ryne Davison
Examiner-in-Charge
Lewis & Ellis, LLC
Representing the New Mexico Office of Superintendent of Insurance



Malis Rasmussen, CFE
Chief Financial Examiner
New Mexico Office of Superintendent of Insurance