

**BEFORE THE COMMISSIONER OF INSURANCE  
OF THE STATE OF KANSAS**

In the Matter of

**NATIONAL COUNCIL ON  
COMPENSATION INSURANCE, INC  
NAIC# 900172**

)  
)  
)Docket No. 4434-MC  
)  
)

**ORDER**

Pursuant to the authority conferred upon the Commissioner of Insurance in K.S.A. 40-222, Sandy Praeger, the duly elected, qualified and serving Commissioner of Insurance hereby adopts the Multi-State Report of Market Conduct Examination of National Council of Compensation Insurance, Inc. (“NCCI”) as of December 31, 2010, by incorporating the same in its entirety with specific findings stated as follows. This Order shall become effective as a Final Order, without further notice, upon the expiration of the fifteen (15) day period if no request for a hearing is made, pursuant to K.S.A. 77-542.

**Findings of Fact**

1. The Commissioner of Insurance has jurisdiction over this matter pursuant to K.S.A. 40-222.
2. The Advisory Organization Examination Oversight Working Group of the National Association of Insurance Commissioners (“NAIC”) completed a targeted market conduct examination of NCCI. The period of examination was January 1, 2006 through December 31, 2010.

3. On or about January 20, 2012 the Examiner-in-Charge provided NCCI with a draft of the Market Conduct Examination with request for NCCI's response in the form of written comments, additions, or acceptance.
4. The Market Conduct Examination Report is attached herein.

### **Applicable Law**

K.S.A. 40-222 states, in pertinent part:

- (a) Whenever the commissioner of insurance deems it necessary but at least once every five years, the commissioner may make, or direct to be made, a financial examination of any insurance company in the process of organization, or applying for admission or doing business in this state. In addition, at the commissioner's discretion the commissioner may make, or direct to be made, a market regulation examination of any insurance company doing business in this state.

### **Conclusions of Law**

Based upon the Findings of Fact enumerated in Paragraphs #1 through #4 and the Applicable Law cited above,

### **IT IS, THEREFORE, ORDERED BY THE COMMISSIONER OF INSURANCE:**

1. The Commissioner of Insurance has jurisdiction over this matter pursuant to K.S.A. 40-222.
2. The Kansas Insurance Department's ("KID") Report of Market Conduct Examination of NCCI as of June 30, 2010 is herein adopted in its entirety.
3. Pursuant to KSA 77-415(b)(2)(A), this order is designated by KID as precedent.

**IT IS SO ORDERED THIS 17th DAY OF APRIL 2012, IN THE CITY OF TOPEKA,  
COUNTY OF SHAWNEE, STATE OF KANSAS.**



/s/ Sandy Praeger  
Sandy Praeger  
Commissioner of Insurance

BY:

/s/ Zachary Anshuta  
Zachary Anshutz  
General Counsel

**NOTICE OF RIGHTS**

NCCI is entitled to a hearing pursuant to K.S.A. 77-537, the Kansas Administrative Procedure Act. If NCCI desires a hearing, the company must file a written request for a hearing with:

Zachary Anshutz, General Counsel  
Kansas Insurance Department  
420 S.W. 9<sup>th</sup> Street  
Topeka, Kansas 66612

This request must be filed within fifteen (15) days from the date of service of this Order. If NCCI requests a hearing, the Kansas Insurance Department will notify the company of the time and place of the hearing and information on the procedures, right of representation, and other rights of parties relating to the conduct of the hearing before the commencement of the same.

If a hearing is not requested in the time and manner stated above, this Order shall become effective as a Final Order upon the expiration of time for requesting a hearing, pursuant to K.S.A. 77-613. In the event that NCCI files a petition for judicial review, pursuant to K.S.A. 77-613(e), the agency officer to be served on behalf of the Kansas Insurance Department is:

Zachary Anshutz, General Counsel  
Kansas Insurance Department  
420 S.W. 9<sup>th</sup> Street  
Topeka, Kansas 66612

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that he served the above and foregoing Order and Notice of Rights on this 17th day of April 2012, by causing the same to be deposited in the United States Mail, registered mail with return-receipt requested postage prepaid, addressed to the following:

Stephen Klingel  
National Council on Compensation Insurance  
901 Peninsula Corporate Circle  
Boca Raton, FL 33487

Mona Carter  
National Council on Compensation Insurance  
901 Peninsula Corporate Circle  
Boca Raton, FL 33487

\_ /s/ Jennifer R. Sourk \_\_\_\_\_  
Jennifer R. Sourk  
Staff Attorney