

FINAL ORDER

EFFECTIVE: 5-27-14

BEFORE THE COMMISSIONER OF INSURANCE OF THE STATE OF KANSAS

In the Matter of the Proposed Adoption)
of the Financial Condition Examination)
Report as of March 14, 2014) Docket No. 4658-ER
BlueCross BlueShield Kansas Solutions, Inc.)
NAIC CoCode: 15481)

CONSENT ORDER

NOW COMES on for formal disposition the matter of the proposed adoption of the financial condition examination report as of March 14, 2014 of BlueCross BlueShield Kansas Solutions, Inc. ("Corporation"), a Kansas corporation. This matter is brought before the Commissioner of Insurance ("Commissioner") for adoption, rejection, or modification pursuant to the provisions of K.S.A. 40-222.

The Kansas Insurance Department ("KID") and the Corporation wish to resolve this matter by entering into this Consent Order. The Corporation hereby waives any and all rights to further administrative adjudication or review of this matter, including any and all rights conferred upon it under K.S.A. 77-501 *et seq.* This Consent Order constitutes the Final Order in this matter.

The Commissioner, having fully considered and reviewed the financial condition examination report, together with all written submissions, applicable rebuttals, and all relevant portions of the examiners' work papers, and further, being fully advised on all premises, hereby find:

Policy Reasons

It is stated policy of the State of Kansas that whenever the Commissioner deems it necessary, an examination of the affairs and financial condition of any insurance company in the process of organization, applying for admission, or doing business in this State can be undertaken. In all cases, such an examination must occur once every five (5) years. Through the examination process, the insurance consuming public will be well served and protected.

Findings of Fact

1. The Commissioner has jurisdiction over this matter pursuant to K.S.A. 40-222.
2. An examination of the Corporation was undertaken by the Kansas Insurance Department and was completed on April 11, 2014.
3. The examiner-in-charge tendered and filed with the KID a verified written report of the examination within thirty (30) days following completion of the examination, to wit; April 11, 2014.
4. Following receipt of the verified report, the KID transmitted the report to the Corporation on April 15, 2014, with a duly executed notice advising the company of its opportunity to prepare and submit to the KID a written submission or rebuttal with respect to any and all matters contained in the report. The Corporation was further advised that any written submission or rebuttal needed to be filed with the KID no later than thirty (30) days after receipt of the verified report.
5. The Corporation filed a written acceptance of the verified report on May 15, 2014.

6. Based upon the written submission tendered by the Corporation, the Corporation took no exceptions to matters contained in the verified report.

7. Within thirty (30) days of the end of the time period allowed for written submission or rebuttal, the Commissioner of Insurance fully reviewed the report, together with all written submissions and rebuttals provided by the Corporation. The Commissioner further reviewed all relevant workpapers.

8. No other written submissions or rebuttals were submitted by the Corporation.

Conclusion of Law

9. K.S.A. 40-222(k)(2) provides:

“Within 30 days of the end of the period allowed for the receipt of written submissions or rebuttals, the commissioner shall fully consider and review the report, together with any written submissions or rebuttals and any relevant portions of the examiners workpapers and enter an order:

(A) Adopting the examination report as filed or with modification or corrections. If the examination report reveals that the company is operating in violation of any law, regulation or prior order of the commissioner, the commissioner may order the company to take any action the commissioner considers necessary and appropriate to cure such violations; or

(B) rejecting the examination report with directions to the examiners to reopen the examination for purposes of obtaining additional data, documentation or information, and refiling pursuant to subsection (k); or

(C) call and conduct a fact-finding hearing in accordance with K.S.A. 40-281 and amendments thereto for purposes of obtaining additional documentation, data, information and testimony.”

10. Based upon the Findings of Fact enumerated in paragraphs #1 through #8 above, the financial condition examination report as of March 14, 2014 of the Corporation should be adopted.

IT IS THEREFORE, BY THE COMMISSIONER OF INSURANCE, ORDERED THAT:

1. The financial condition examination report as of March 14, 2014 of the BlueCross BlueShield Kansas Solutions, Inc., hereby is adopted.

2. The Commissioner of Insurance retains jurisdiction over this matter to issue any and all further Orders deemed appropriate or to take such further action necessary to dispose of this matter.

IT IS SO ORDERED THIS 27th DAY OF May, 2014 IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.



/s/ Sandy Praeger
Sandy Praeger
Commissioner of Insurance

BY:

/s/ John Wine
John Wine
General Counsel

BlueCross BlueShield Kansas Solutions, Inc.

BY:

/s/ Matthew Alle
Matthew All
President

Certificate of Service

The undersigned hereby certifies that he was served a true and correct copy of the above and foregoing **Consent Order** on this 27th day of May , 2014, by causing the same to be placed in the United States Mail, first class postage prepaid, addressed to the following:

Mr. Matt All
BlueCross BlueShield Kansas Solutions, Inc.
1133 SW Topeka Boulevard
Topeka, KS 66629

_ /s/ Kenneth Abitz _____
Kenneth Abitz
Director, Financial Surveillance