

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

In the Matter of the Financial Condition Examination	)	
Report as of December 31, 2018	)	Docket No. 83897
<b>Coventry Health Care of Kansas, Inc.</b>	)	
<b>NAIC CoCode: 95489</b>	)	

**ORDER**

This matter is before the Commissioner of Insurance for consideration of the financial condition examination report as of December 31, 2018, for Coventry Health Care of Kansas, Inc. (the "Company"). Before the Commissioner of Insurance is whether to adopt, reject, or modify the examination report pursuant to the provisions of K.S.A. 40-222.

The Commissioner of Insurance, having fully considered and reviewed the financial condition examination report, together with all written submissions, applicable rebuttals, and all relevant portions of the examiners' workpapers, finds as follows:

**Policy Reasons**

It is stated policy of the State of Kansas that whenever the Commissioner of Insurance deems it necessary, but at least once every five years, 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. 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. The Kansas Insurance Department undertook an examination of Coventry Health Care of Kansas, Inc., and completed that examination on April 14, 2020.

3. On April 20, 2020, the examiner-in-charge tendered and filed with the Kansas Insurance Department a verified written report of the examination within thirty (30) days following completion of the examination.

4. Following receipt of the verified report, the Kansas Insurance Department transmitted the report to Coventry Health Care of Kansas, Inc. on May 5, 2020, with a duly executed notice advising the Company of its opportunity to prepare and submit to the Kansas Insurance Department a written submission or rebuttal with respect to any and all matters contained in the report. The Department further advised Coventry Health Care of Kansas, Inc. that any written submission or rebuttal needed to be filed with the Kansas Insurance Department no later than thirty (30) days after receipt of the verified report.

5. Coventry Health Care of Kansas, Inc. filed a written rebuttal of the verified report on May 21, 2020. The Kansas Insurance Department accepted the changes requested by the Company in their written rebuttal.

6. 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 Coventry Health Care of Kansas, Inc. The Commissioner of Insurance further reviewed all relevant workpapers.

7. No other written submissions or rebuttals were submitted by Coventry Health Care of Kansas, Inc.

### Conclusion of Law

8. 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.”

9. Based upon the Findings of Fact enumerated in paragraphs #1 through #7 above, the financial condition examination report as of December 31, 2018, of Coventry Health Care of Kansas, Inc. should be adopted.

10. This Order constitutes the Final Order in this matter.

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

1. The financial condition examination report as of December 31, 2018, of the Coventry Health Care of Kansas, Inc. 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.

3. Within 30 days of the issuance of the adopted report, the Company shall file affidavits executed by each of its directors stating under oath that they have received a copy of the adopted report and related orders.

4. The Commissioner of Insurance shall hold the content of the examination report as private and confidential information for a period of 30 days. Thereafter, the Commissioner may open the report for public inspection so long as no court of competent jurisdiction has stayed its publication.

IT IS SO ORDERED THIS 22nd DAY OF June, 2020 IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.



*Vicki Schmidt*

Vicki Schmidt  
Commissioner of Insurance

Approved by the Kansas Insurance  
Department Legal Division

*Paige Blevins*

Paige Blevins  
Staff Attorney

**Certificate of Service**

The undersigned hereby certifies that she served the above and foregoing Order on this 22nd day of June, 2020, by causing the same to be deposited in the United States Mail, first class postage prepaid, addressed to the following:

Mr. James Boyman  
President  
Coventry Health Care of Kansas, Inc.  
9401 Indian Creek Parkway, Suite 1300  
Overland Park, KS 66210



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Toni Garrard  
Senior Administrative Assistant