

**REPORT ON EXAMINATION
(DISCONTINUANCE OF BUSINESS)**

OF

WELLCARE OF KANSAS, INC.

8735 HENDERSON ROAD

TAMPA, FLORIDA 33634

AS OF

DECEMBER 3, 2020

FILED

FEB 26 2021

**VICKI SCHMIDT
Commissioner of Insurance**

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Tampa, Florida
February 1, 2021

Honorable Vicki Schmidt
Commissioner of Insurance
Kansas Insurance Department
1300 SW Arrowhead Road
Topeka, Kansas 66604

Dear Commissioner:

Pursuant to K.S.A. 40-248, a discontinuance of business examination has been conducted regarding:

WELLCARE OF KANSAS, INC.

with its statutory home office at:

**112 SW 7th STREET, SUITE 3C
TOPEKA, KANSAS 66603**

And its main administrative office at:

**8735 HENDERSON ROAD
TAMPA, FLORIDA 33634**

hereinafter referred to as the "Company" or "WellCare". The following report on such examination is respectfully submitted.

SCOPE OF EXAMINATION

The discontinuance of business examination covered the intervening period from January 1, 2017, to December 3, 2020. The examination is to provide assurance that the provisions of K.S.A. 40-248 have been adequately addressed by management regarding the Company's intention to surrender its certificate of authority.

The affairs and activities of the Company were reviewed to determine if the necessary steps had been taken to effectively discontinue the operations as of December 3, 2020.

COMPANY HISTORY

General

The Company was incorporated in the State of Kansas on October 13, 2011, as a health maintenance organization under the provisions of K.S.A. 40-3201 et seq. The Company began operations on January 1, 2014, as a health maintenance organization under Article 32, Chapter 40 of the Kansas Statutes Annotated. The Company was organized as a for-profit corporation as set forth in its articles of incorporation to engage in any lawful act or activities for which corporations may be organized under the Kansas general corporation code.

Capital Stock

The Company's articles of incorporation authorize the issuance of 1,500,000 shares of common stock with a par value of \$1.00 per share. As of November 30, 2020, 1,500,000 shares were issued and held by The WellCare Management Group, Inc.

Management

On December 3, 2020, the Company requested to voluntarily surrender its Certificate of Authority, with surrender to take effect before the end of the year. The Company has not written any business since its formation.

Those serving on the board at the time of the decision to discontinue business were:

Scott G. Ellsworth
Adam J. Loomans
Michael R. Stephens

ORGANIZATIONAL LISTING

An abbreviated organizational listing showing the direct line of ownership of the Company as of December 3, 2020, is included below. All entities are 100% owned by the entity preceding them in the listing.

Centene Corporation (DE)
WellCare Health Plans, Inc. (DE)
WCG Health Management, Inc. (DE)
The WellCare Management Group, Inc. (NY)
WellCare of Kansas, Inc. (KS)

AFFIDAVIT OF PUBLICATION

In accordance with the provisions of K.S.A. 40-248, the Commissioner of Insurance, upon application of such company, is required to provide notice of the company's intention to discontinue business. The Company published a legal Notice of Discontinuance of Business in The Topeka Capital Journal on January 1, 2021, and it continued to publish the notice each week for six weeks through February 5, 2021.

AFFIDAVIT ON LIABILITIES

Pursuant to K.S.A. 40-248, the Company's President and Secretary certified that, as of December 23, 2020, all debts, judgments, and liabilities are satisfied in association of the discontinuance of the Company's business.

STATUTORY DEPOSIT

Pursuant to K.S.A. 40-3227, the Company has maintained a deposit of a qualified security with the Kansas Insurance Department.

A summary of the deposit held follows:

<u>Security Pledged</u>	<u>Cusip No.</u>	<u>Interest Rate</u>	<u>Par Value</u>
US Treasury Note	9128283C2	1.375%	\$310,000

FINANCIAL STATEMENTS

The financial statements contained herein reflect only the transactions for the period ending November 30, 2020, the assets and liabilities as of that date.

WELLCARE OF KANSAS, INC. BALANCE SHEET AS OF NOVEMBER 30, 2020

ASSETS

	<u>Assets</u>	<u>Nonadmitted Assets</u>	<u>Net Admitted Assets</u>
Bonds	\$ 321,231	\$ -	\$ 321,231
Cash and short-term investments	1,265,322	-	1,265,322
Investment income due & accrued	531	-	531
Net deferred tax asset	32	-	32
State and other tax recoverables	1,337	-	1,337
Total assets	<u>\$ 1,588,453</u>	<u>\$ -</u>	<u>\$ 1,588,453</u>

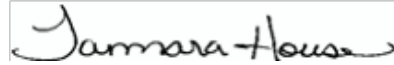
LIABILITIES, CAPITAL AND SURPLUS

Claims unpaid	\$ -
General expenses due and accrued	-
Current federal and foreign income taxes	1,544
Total liabilities	<u>\$ 1,544</u>
Common capital stock	1,500,000
Gross paid in and contributed surplus	315,785
Unassigned funds (surplus)	(228,876)
Surplus as regards policyholders	<u>\$ 1,586,909</u>
Total liabilities, capital and surplus	<u>\$ 1,588,453</u>

CONCLUSION

The officers of the Company provided the necessary assistance and cooperation during the course of this examination.

Respectfully submitted,

A handwritten signature in cursive script that reads "Tamara House". The signature is written in black ink and is positioned above a horizontal line.

Tamara House, CFE
Examiner-in-Charge
Kansas Insurance Department