

**BEFORE THE INSURANCE COMMISSIONER
FOR THE STATE OF ARKANSAS**

**IN THE MATTER OF
THE REPORT OF EXAMINATION
OF QCA HEALTH PLAN, INC.**

A.I.D. NO. 2016- 020

ADOPTION ORDER

Now on this day the matter of the Examination Report (“Report”) as of December 31, 2014, of QCA Health Plan, Inc. (“Company”), of Little Rock, Arkansas, NAIC No. 95448, is taken under consideration by Allen Kerr, Insurance Commissioner for the State of Arkansas (“Commissioner”), as presented by Associate Counsel, Amanda Capps Rose, and the Finance Division of the Arkansas Insurance Department (“Department”). From the facts, matters and other things before him, the Commissioner finds as follows:

FINDINGS OF FACT

1. The Commissioner has jurisdiction over the Company and the subject matter involved herein.
2. The Arkansas-domiciled Company is licensed in Arkansas as a health maintenance organization.
3. Pursuant to Ark. Code Ann. §§ 23-61-201, *et seq.*, the Commissioner authorized and directed the Department to conduct a regular examination of the affairs, transactions, accounts, records, and assets of the Company as of December 31, 2014.
4. Said examination was commenced by the Department on April 20, 2015, and completed on November 30, 2015.
5. The verified Report was filed with the Department on January 28, 2016. It was then mailed to the Company via certified mail on January 28, 2016. The Company

received the Report on February 1, 2016, according to the tracking service available through the United States Postal Service.

6. The Report notes that many claims made by healthcare providers during the examination period were not paid in a timely manner. The Company has implemented the following corrective actions to remedy the matter:

(a) Crossover claims will now be received electronically, rather than in hard copy, as of July 2015;

(b) Additional claims staff have been hired and trained; and

(c) Temporary staff was hired and reduced the backlog of claims as of October 2015.

7. On February 22, 2016, the Company provided a written acceptance of the Report with no rebuttal.

CONCLUSIONS OF LAW

Based upon the above and foregoing Findings of Fact, the Commissioner makes the following Conclusions of Law:

1. The Commissioner and the Department have jurisdiction over the parties and the subject matter contained herein.

2. This Order has been properly entered in accordance with the Arkansas Insurance Code and Arkansas Insurance Department Rules.

3. The Company's failure to pay healthcare providers in a timely manner in a violation of Department Rule 43 and Ark. Code Ann. § 23-66-206(13)(F).

THEREFORE, pursuant to the provisions of Ark. Code Ann. § 23-61-205, the Commissioner hereby orders:

1. That the Examination Report, as filed with the Department, is hereby adopted;

2. That, going forward, the Company shall comply with the provisions of Department Rule 43 and Ark. Code Ann. § 23-66-206(13)(F) regarding timely payment of claims;

3. That the Department shall forward a copy of this Order and the adopted Examination Report, as filed, to the Company via certified mail. The mailing to the Company shall include specimen affidavit forms for the Company's Directors to use in acknowledgement of receipt of the adopted Report of Examination and this Order;

4. That within twenty (20) days of receipt of this Order and the adopted Examination Report, the Company shall file with the Department affidavits executed by each one of its Directors, stating under oath or affirmation that each has received a copy of this Order and the adopted Examination Report; and

5. That the adopted Examination Report shall be open for public inspection upon the expiration of thirty (30) days from the Company's receipt of this Order.

IT IS SO ORDERED this 2nd day of March, 2016.


ALLEN KERR
INSURANCE COMMISSIONER
STATE OF ARKANSAS