

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE
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STATE OF ALASKA

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

DIVISION OF INSURANCE

In re:)
)
APPLICATION FOR RENEWAL OF)
THIRD PARTY ADMINISTRATOR REGISTRATION)
FOR WORLDWIDE INSURANCE SERVICES, INC.)
10317 Lynnhaven Place)
Oakton, VA 22124)
_____)

Case No. LD 04-01

STATEMENT OF ISSUES

Linda S. Hall, Director, Division of Insurance (division), Department of
Commerce, Community, and Economic Development, State of Alaska, states:

1. On or about October 30, 2003, the division received an application for the renewal of the third party administrator registration for Worldwide Insurance Services, Inc. (WIS), registration #17916. Although the renewal form indicated an expiration date of October 15, 2003, the division notified WIS that the actual expiration date was October 15, 2004.
2. As required with the application for renewal, the firm submitted financial statements for the preceding two years. The financial statements indicate a negative equity as of December 31, 2002, establishing that the applicant is insolvent. WIS informed the division of its recent partnership with Wellpoint Health Networks, which resulted in an infusion of additional capital. WIS also stated that its parent entity provides additional paid in capital at the end of each year to maintain the required equity levels. Because of this information, by letter dated April 7, 2004, the division offered WIS the opportunity to submit audited financial

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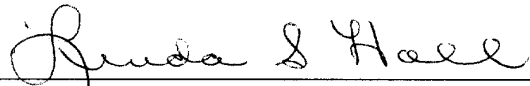
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statements for 2003. The information that WIS submitted did not provide adequate assurances that WIS is solvent and is operating effectively so that money is promptly accounted for and paid to the person entitled to the money.

3. Insolvency is a basis to deny renewal of a registration under AS 21.27.640(b)(7)(D).

4. Pursuant to AS 21.27.640(b)(7)(D), the application of Worldwide Insurance Services, Inc. for renewal of the firm third party administrator registration #17916 is hereby DENIED.

DATED this 1st day of November, 2004.



Linda S. Hall
Director