

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE
550 WEST SEVENTH AVENUE, SUITE 1560
ANCHORAGE, ALASKA 99501-3567
PHONE: (907) 269-7900
FAX: (907) 269-7910
TDD: (907) 465-5437

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

STATE OF ALASKA

DEPARTMENT OF COMMERCE, COMMUNITY, & ECONOMIC DEVELOPMENT

DIVISION OF INSURANCE

In the Matter of:)
KEY BENEFIT ADMINISTRATORS, INC.,)
Third Party Administrator.)
_____)

Case No. D 09-17

STIPULATED AGREEMENT AND ORDER

The Division of Insurance (division) and Key Benefit Administrators, Inc. (KBA), the third party administrator (TPA) in this case, stipulate and agree as follows:

1. KBA has held a TPA registration in this state under No. 32607 since April 2003. This registration was due to expire on April 1, 2009. In order to renew, KBA was required to provide the division with audited financial statements for the previous two years. In order to allow for submission of the statements, the renewal date was extended.
2. The 2008 financial statement indicated that KBA was insolvent at the end of 2008. KBA also submitted a deposit slip showing that additional paid-in capital was made on March 18, 2009. The division determined that, even with the additional paid-in capital, KBA did not comply with one of the requirements to renew the TPA registration under AS 21.27.640(a)(7)(D).
3. KBA requested that the division accept an indemnity for KBA to qualify for the renewal of its registration. Upon fulfilling all of the requirements listed in this agreement, the division will renew KBA's registration for one year, expiring on April 1, 2010.

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE
550 WEST SEVENTH AVENUE, SUITE 1560
ANCHORAGE, ALASKA 99501-3567
PHONE: (907) 269-7900
FAX: (907) 269-7910
TDD: (907) 465-5437

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

4. KBA agrees to
- a. submit its Board of Director's resolution authorizing the capital infusion and evidence that the funds were transferred to KBA;
 - b. file a \$100,000 surety bond that complies with the requirements of AS 21.27.190(a) and (b);
 - c. submit a listing of all self-insured entities it represents and provides TPA services; and
 - d. submit the in-house financial statement as of June 30, 2009. If the statement shows KBA has a negative equity, the TPA registration will not be renewed.


5. If KBA's registration is issued for a one year, expiring on April 1, 2010, at that renewal time, KBA must submit the 2009 certified financial statement for the 2009 calendar year. The TPA renewal fee will be waived since the fee will be collected in 2009.

6. By signing this agreement, KBA understands and agrees that any failure to comply with the conditions of this agreement will be grounds to revoke or not renew Alaska TPA registration No. 32607.

7. KBA understands that this agreement is not binding on the parties unless and until the director signs the order approving the agreement.

DATED: 8/24/9

DIVISION OF INSURANCE

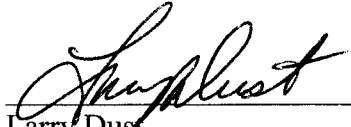
By: 
Linda Brunette
Program Coordinator

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE
550 WEST SEVENTH AVENUE, SUITE 1560
ANCHORAGE, ALASKA 99501-3567
PHONE: (907) 269-7900
FAX: (907) 269-7910
TDD: (907) 465-5437

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

DATED: 8/17/09

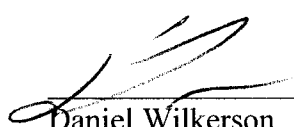
KEY BENEFIT ADMINISTRATORS, INC.

By: 
Larry Dust
Compliance Officer

Approved as to form and content:

DATED: 8/18/09

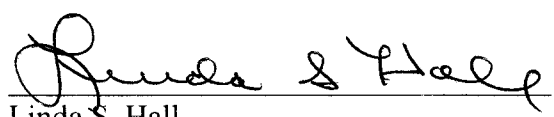
DANIEL S. SULLIVAN
ATTORNEY GENERAL

By: 
Daniel Wilkerson
Assistant Attorney General

ORDER

IT IS ORDERED that this Stipulated Agreement and Order is adopted in full resolution of the issues in this case, and shall constitute the final order in this matter.

DATED this 27th day of August, 2009.


Linda S. Hall
Director of Insurance