

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

**IN THE MATTER AMERICAN
DENTAL PROVIDERS OF
ARKANSAS, INC.**

A.I.D. NO. 2014- 437

ORDER

Now on this day, the matter of Arkansas Dental Providers of Arkansas, Inc. (“Company”), comes before Jay Bradford, Insurance Commissioner of the State of Arkansas (“Commissioner”). The Arkansas Insurance Department (“Department”) is represented by Associate Counsel, Amanda Capps Rose. From the facts and matters before him, the Commissioner finds as follows:

FINDINGS OF FACT

1. The Commissioner has jurisdiction over the parties and subject matter herein pursuant to Ark. Code Ann. §§ 23-61-103, 23-63-501, *et seq.*, and other provisions of the Arkansas Insurance Code.

2. The Company, NAIC No. 11559, is an Arkansas domestic health maintenance company authorized to transact business in the State of Arkansas. The Company, pursuant to Ark. Code Ann. § 23-76-104(b), has elected to be subject to the Arkansas Insurance Holding Company Regulatory Act, Ark. Code Ann. §§ 23-63-501, *et seq.* (“Act”).

3. The Company’s ultimate parent in the holding company system is Humana Inc., which is also the parent company of Humana Health Plan, Inc.

4. Humana, Inc. desires to merge the Company and Humana Health Plan, Inc., effective December 31, 2014, with the surviving entity being Humana Health Plan, Inc.

5. The Commissioner or his representatives have reviewed the proposed transaction, including the organizational structure, as it affects the Company, both prior to and following the proposed transaction.

6. The proposed transaction will not change or influence the ultimate control of the Company, and no unaffiliated entities are parties to this transaction.

CONCLUSIONS OF LAW

Based upon the above and foregoing Findings of Fact and the evidence before him, the Commissioner concludes as follows:

7. Pursuant to the Act and Department Rule 15, a detailed filing is required for any change of control or merger with an Arkansas domestic insurer. Additionally, the Act and Department Rule 15 require the Commissioner's prior approval of any such transaction following a hearing on the matter.

8. The Act provides, in pertinent part, as follows:

The provisions of §§ 23-63-506 -- 23-63-513 shall not apply to: [...]

(3) Any offer, request, invitation, agreement, or acquisition which the commissioner, by order, shall exempt therefrom as:

(A) Not having been made or entered into for the purpose and not having the effect of changing or influencing the control of a domestic insurer.

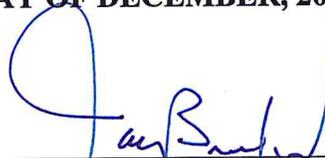
Ark. Code Ann. § 23-63-507(3)(A).

9. Based upon the findings stated above and applicable provisions of the Act, because the transaction was not made or entered into for the purpose of, and not having the effect of changing or influencing the control of, a domestic insurer, the requested

exemption from the requirements of Ark. Code Ann. §§ 23-63-506 -- 23-63-513 should be granted.

10. It is hereby **ORDERED** that the proposed transaction is exempt from the requirements of Ark. Code Ann. §§ 23-63-506 -- 23-63-513 pursuant to Ark. Code Ann. § 23-63-507(3)(A).

IT IS SO ORDERED ON THIS 15th DAY OF DECEMBER, 2014.



JAY BRADFORD
INSURANCE COMMISSIONER
STATE OF ARKANSAS