

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

**IN THE MATTER OF
THE REPORT OF EXAMINATION
OF EMPOWER HEALTHCARE
SOLUTIONS, LLC**

A.I.D. NO. 2021- 18

ADOPTION ORDER

Now on this day the matter of the Report of Examination (“Report”) as of December 31, 2019, of Empower Healthcare Solutions, LLC (“Company”), NAIC No. 16244, of Little Rock, Arkansas, is taken under consideration by Alan McClain, 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 Company is an Arkansas-domiciled risk-based provider organization.
2. 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, 2019.
3. Said examination was commenced by the Department on July 1, 2020, and completed on March 24, 2021.
4. The verified Report was filed with the Department on May 6, 2021. It was then mailed to the Company via certified mail on May 6, 2021. The Company received the Report via the Department’s secure FTP site on May 10, 2021.

5. The Company failed to utilize the appropriate assumptions and methodologies to estimate the claims adjustment expense (“CAE”) reserve.

6. The Company submitted a response to the Report on May 26, 2021, noting that the Company had no suggested changes to the Report and waiving the remainder of the statutory review period.

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

3. The Company’s failure to follow the appropriate guidance to estimate its CAE reserves is a violation of Ark. Code Ann. § 23-63-216(a)(3) and SSAP No. 55.

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

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


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

3. That within twenty (20) days of receipt of this Adoption Order and the adopted 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 Adoption Order and the adopted Report;

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

5. That the Company shall comply with the instructions in Ark. Code Ann. § 23-63-216(a)(3) and SSAP No. 55 with regard to calculating its CAE reserve.

IT IS SO ORDERED this 1st day of June, 2021.



ALAN McCLAIN
INSURANCE COMMISSIONER
STATE OF ARKANSAS