

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

**IN THE MATTER OF  
THE REPORT OF EXAMINATION  
OF USABLE MUTUAL INSURANCE COMPANY  
d/b/a ARKANSAS BLUE CROSS AND BLUE SHIELD**

**A.I.D. NO. 2017- 046**

**ADOPTION ORDER**

Now on this day the matter of the Report of Examination (“Report”) as of December 31, 2015, of USABLE Mutual Insurance Company d/b/a Arkansas Blue Cross and Blue Shield (“Company”), NAIC No. 83470, of Little Rock, Arkansas, 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 Company is an Arkansas-domiciled mutual insurance company and is authorized to write accident and health insurance.
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, 2015.
3. Said examination was commenced by the Department on March 28, 2016, and completed on February 27, 2017.
4. The verified Report of Examination was filed with the Department on April 28, 2017. It was then mailed to the Company via certified mail on April 28, 2017.

The Company received the Report on May 2, 2017, according to the tracking service available through the United States Postal Service.

5. The Company did not use pre-numbered marked by the Department for all of its corporate minute books during the examination 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 use pre-numbered pages marked by the Department for all of its corporate minute books is a violation of Department Rule 9. Subsequent to the examination period, the Company has become compliant with Department Rule 9.

**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 Examination Report, as filed with the Department, is hereby adopted;

2. That the Department shall forward a copy of this Adoption 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 Board of


Directors to use in acknowledgement of receipt of the adopted Report of Examination and this Adoption Order;

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

4. 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 Adoption Order; and

5. That the Company shall use pre-numbered pages as required by Department Rule 9 for all corporate minute books.

**IT IS SO ORDERED** this 7<sup>th</sup> day of June, 2017.



**ALLEN KERR**  
**INSURANCE COMMISSIONER**  
**STATE OF ARKANSAS**