

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

**IN THE MATTER OF THE REPORT  
OF EXAMINATION OF UNITEDHEALTHCARE  
OF ARKANSAS, INC.**

**A.I.D. NO. 2020- 41**

**ADOPTION ORDER**

Now on this day the matter of the Report of Examination (“Report”) as of December 31, 2018, of UnitedHealthcare of Arkansas, Inc. (“Company”), NAIC No. 95446, 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 health maintenance organization formed under Ark. Code Ann. §§ 23-76-101, *et seq.*
2. Pursuant to Ark. Code Ann. §§ 23-61-201, *et seq.*, and 23-76-122, 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, 2018.
4. Said examination was commenced by the Department on June 1, 2019, and completed on May 29, 2020.
5. The verified Report was filed with the Department on June 8, 2020. It was then delivered to the Company via electronic mail on June 8, 2020, and sent via United

States Mail on June 9, 2020. The Company received the Report via electronic mail on June 8, 2020.

6. The Company incorrectly estimated and reported its ACA Risk Adjustment receivable. The actual performance resulted in a payable for a net overstatement at year-end 2018.

7. On June 8, 2020, the Company submitted a statement via electronic mail accepting the Report, as amended, and waiving the remainder of the thirty (30) day reporting 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 reported an overstatement of its ACA Risk Adjustment receivable, which is not consistent with the NAIC Accounting Practices & Procedures Manual.

**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 report its ACA Risk Adjustment receivable in accordance with the NAIC Accounting Practice and Procedures Manual.

**IT IS SO ORDERED this 15th day of June, 2020.**

  
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**ALAN McCLAIN**  
**INSURANCE COMMISSIONER**  
**STATE OF ARKANSAS**