BEFORE THE DEPUTY INSURANCE COMMISSIONER OF THE COMMONWEALTH OF PENNSYLVANIA

IN RE: : Pursuant to the Health Maintenance

Organization Act, Act of December 29, 1972, P.L. 1701, No. 364, as

Pennsylvania, Inc. for Approval to : amended, December 19, 1980, P.L. Surrender its Certificate of Authority to : 1300, No. 234, 40 P.S. §§1551

Operate as a Health Maintenance : through 1567

Organization

The Request of One Health Plan of

.

Order Number ID-RC-02-36

DECISION AND ORDER

AND NOW, on this __13th____ day of December, 2002, Stephen J. Johnson, Deputy Insurance Commissioner of the Commonwealth of Pennsylvania ("Deputy Commissioner"), hereby makes the following Decision and Order:

Pursuant to the Health Maintenance Organization Act, and in consideration of the documents, representations and reports received, as well as other inquiries and studies as permitted by law, the Deputy Commissioner hereby makes the following findings of fact:

FINDINGS OF FACT

- 1. One Health Plan of Pennsylvania, Inc. ("One Health Plan") is a Health Maintenance Organization ("HMO") organized under the laws of the Commonwealth of Pennsylvania with its principal place of business in Philadelphia, Pennsylvania.
- 2. On November 12, 2002, the Insurance Department of the Commonwealth of Pennsylvania ("Department") received a request (which, together with all material received subsequently, is hereinafter referenced as "Request") from One Health Plan to voluntarily surrender its Certificate of Authority to operate as a domestic HMO in this Commonwealth.
- 3. On November 23, 2002, the Department published notice in the <u>Pennsylvania</u> <u>Bulletin</u> that the Request was submitted by One Health Plan, and such notice invited interested persons to submit comments to the Department regarding the Request for a fourteen (14) day period, ending December 7, 2002.

- 4. During the 14 day period, the Department received no relevant comments regarding the proposed Request.
- 5. On January 24, 2001, One Health Plan was issued a Certificate of Authority by this Department and the Department of Health pursuant to the Health Maintenance Organization Act of December 29, 1972, P.L. 1701, No. 364, <u>as amended</u> (40 P.S. §1551, et <u>seq.</u>) to operate as a HMO in the Commonwealth of Pennsylvania.
- 6. As stated in the Request, One Health Plan has no current HMO policies or members.
- 7. As stated in the Request, One Health Plan has no known liabilities.
- 8. As stated in the Request, the purpose of this transaction is to surrender the authority to operate a HMO, but continue the corporate existence.
- 9. One Health Plan has provided documentation that its Board of Directors has resolved to surrender its Certificate of Authority to act as a HMO in the Commonwealth of Pennsylvania.
- 10. One Health Plan has provided documentation that the sole shareholder has resolved to surrender the One Health Plan Certificate of Authority to act as a HMO in the Commonwealth of Pennsylvania.
- 11. As stated in the Request, as there were never any members of the HMO, One Health Plan has not made provisions for the payment of member claims.
- 12. If any of the above Findings of Fact are determined to be Conclusions of Law, they shall be incorporated in the Conclusions of Law as if fully set forth therein.

CONCLUSIONS OF LAW

- 1. Inasmuch as One Health Plan does not have any members, One Health Plan is not required to make provision for payment of member claims.
- 2. Inasmuch as One Health Plan will be a going concern, the Department's approval of the Request will have no impact on any creditors of One Health Plan.
- 3. Based on all the information and analyses received and the Department's independent review, the Request is reasonable and in accordance with law.
- 4. If any of the above Conclusions of Law are determined to be Findings of Fact, they shall be incorporated in the Findings of Fact as if fully set forth therein.

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IN RE: Pursuant to the Health Maintenance

Organization Act, Act of December 29, 1972, P.L. 1701, No. 364, as The Request of One Health Plan of amended, December 19, 1980, P.L.

Pennsylvania, Inc. for Approval to Surrender its Certificate of Authority to 1300, No. 234, 40 P.S. §§1551

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ORDER

Upon consideration of the foregoing, the Deputy Insurance Commissioner of the Commonwealth of Pennsylvania ("Deputy Commissioner") hereby approves the Request for the voluntary surrender of the Certificate of Authority as filed on October 4, 2002, by One Health Plan of Pennsylvania, Inc. ("One Health Plan"), subject to the following conditions:

- 1. One Health Plan shall not engage in the business of providing a Health Maintenance Organization, or any other insurance company business, in the Commonwealth of Pennsylvania or in any other jurisdiction, without the prior approval of the Pennsylvania Insurance Department.
- 2. One Health Plan shall return its Certificate of Authority to the Insurance Department within one year of the date of this Order.
- 3. The surrender shall be effective upon receipt of the Certificate of Authority by the Insurance Department.
- 4. Should One Health Plan, as a continuing business corporation, determine that it would like to engage at some time in the future in the business of providing a Health Maintenance Organization or other insurance company, it will be necessary to file a new application for an appropriate certificate of authority.

This Order is effective immediately.

STEPHEN J. JOHNSON Deputy Insurance Commissioner Commonwealth of Pennsylvania