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BEFORE THE INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA
HEARINGS OFFICE

IN RE:	:	
	:	
Application of Ronald E. Knauber, Jr.	:	Pursuant to the Violent Crime Control and
Requesting Written Consent to Engage in the	:	Law Enforcement Act of 1994, 18 U.S.C.
Business of Insurance	:	§1033
	:	
	:	Docket No. CW06-11-033

CONSENT ORDER

AND NOW, this 8th day of December, 2006, this Order is hereby issued
the Deputy Insurance Commissioner pursuant to the statutes cited above and in
disposition of the matter captioned above.

1. To the extent applicable, Applicant hereby waives all rights to a formal
administrative hearing in this matter, and agrees that this Consent Order, and the Findings
of Fact and Conclusions of Law contained herein, shall have the full force and effect of
an Order duly entered in accordance with the adjudicatory procedures set forth in the
Administrative Agency Law, 2 Pa.C.S.A. § 101, et seq., or other applicable law.

FINDINGS OF FACT

2. The Deputy Insurance Commissioner finds true and correct each of the following Findings of Fact:

- (a) Applicant is Ronald E. Knauber, Jr., and maintains his address at 173 Koons Road, Millersburg, Pennsylvania 17061.
- (b) Applicant is to be employed by Highmark, Incorporated as a Programmer Analyst III. Highmark ("the Company") is licensed to transact the business of insurance in accordance with The Insurance Company Law, Act of May 17, P.L. 682 (40 P.S. § 341 et seq.).
- (c) On March 17, 1982, Applicant was found guilty of in the Court of Common Pleas, Dauphin County, Harrisburg, Pennsylvania, of robbery, a felony offense.
- (d) On September 28, 2006, Applicant submitted an application to the Pennsylvania Insurance Department for written consent to engage in the business of insurance pursuant to 18 U.S.C. §1033(e)(2).
- (e) The activities in which Applicant desires to engage constitute the business of insurance within the meaning of 18 U.S.C. § 1033(e)(1)(A) and (f).

CONCLUSIONS OF LAW

3. In accordance with the above Findings of Fact and applicable provisions of law, the Deputy Insurance Commissioner concludes and finds the following

Conclusions of Law:

- (a) 18 U.S.C. §1033(e)(2) provides that persons convicted of felonies involving dishonesty or a breach of trust may not engage in the business of insurance or participate in such business unless such person has the written consent of any insurance regulatory official authorized to regulate the insurer, which consent specifically refers to 18 U.S.C. §1033(e)(2).
- (b) Robbery is a criminal felony involving dishonesty or a breach of trust within the meaning of 18 U.S.C. §1033(e)(1)(A).
- (c) The activities in which Applicant desires to engage constitute the business of insurance within the meaning of 18 U.S.C. §1033(e)(1)(A) and (f).
- (d) Accordingly, Applicant may not engage in the business of insurance without a written consent issued by the Deputy Insurance Commissioner pursuant to 18 U.S.C. §1033(e)(2).
- (e) The Insurance Commissioner has determined that Applicant may engage in the business of insurance in the capacity of Programmer Analyst III, with the job duties set forth and attached as "Exhibit 1" for the Company, and only in such capacity, subject to the terms and conditions of this Order and the conditions

contained herein are necessary and sufficient to ensure that Applicant may engage in the business of insurance in a manner that is not reasonably likely to cause harm to the public, policyholders or the insurer.

ORDER

4. Accordingly, the Deputy Insurance Commissioner orders and Applicant consents to the following:

- (a) Applicant shall cease and desist from engaging in the activities described herein in the Findings of Fact and Conclusions of Law. Applicant shall further comply with Pennsylvania insurance laws and regulations.
- (b) Pursuant to 18 U.S.C. §1033(e)(2), Applicant may engage in the business of insurance as a Programmer Analyst III with the job duties set forth in Exhibit 1, and only in such capacity, subject to the terms and conditions of this Order, which terms and conditions contained herein are necessary and sufficient to ensure that Applicant may engage in the business of insurance in a manner that is not reasonably likely to cause harm to the public, policyholders or the industry.

5. Applicant shall be limited to performing the prescribed duties of the job description attached hereto as Exhibit 1.

6. Applicant must request and obtain an amendment to this Order from the Deputy Insurance Commissioner prior to any material modification or expansion of duties identified in the job description attached hereto as Exhibit 1. This request must be accompanied by a proposed new job description and a current Pennsylvania State Police certified Criminal Record Check.

7. Failure to obtain an amendment to this Order prior to any material modification or expansion of duties constitutes a breach of this agreement and as such, the Department's consent permitting Applicant to engage in the business of insurance may be immediately suspended pursuant to Paragraph 13 of this Order.

8. Applicant must notify the Department in writing if he changes employers, or if the Company experiences a change of ownership or control through any merger, acquisition or divestiture transaction within 30 days of any such change. Nothing in this Order shall be construed as constraining Applicant's ability to change employment in the insurance industry provided that there is no material modification or expansion of the job duties prescribed in Exhibit 1.

9. This notice must include the new job description for the new employer and a written representation that there has been no material modification or expansion of job duties.

10. Applicant must notify the Department in writing of any and all subsequent felony or misdemeanor convictions within ten (10) business days of any said conviction.

11. The term of this Order shall remain in place for a period of five years and, thereafter, unless and until the Department or the Commissioner terminates the Order. Nothing in this Order shall preclude the Department, the Deputy Commissioner or the Commissioner, in their sole discretion, from decreasing or lessening the restrictions contained in this Order in whole or in part while it is in effect. Any such lessening of the restrictions contained in this Order shall be made in writing by the Department, the Deputy Commissioner or the Commissioner in accordance with the procedures set forth in Paragraph 20 of this Order.

12. Following the five-year period referenced in Paragraph 11, above, this Order shall continue unless and until the Department affirmatively terminates it. Nothing in this Order shall be construed as conferring upon Applicant any property right or interest as a result of receiving this conditional consent to engage in the business of insurance in accordance with the terms of this Order. Applicant expressly waives any right to assert that he is entitled to a hearing on the termination of this Order following the expiration of the five-year period referenced in Paragraph 11. Should the Insurance Department or the Commissioner terminate this Order after the five year period referenced in Paragraph 11, above, Applicant may file a new application for a written consent to engage in the business of insurance under 18 U.S.C. § 1033(e)(2).

13. The Department's conditional consent, permitting Applicant to engage in the business of insurance, may be immediately suspended upon notice by the Department following its investigation that Applicant has failed to adhere to any condition set forth in this Order or has violated an insurance statute or regulation.

14. Applicant shall have no right to prior notice of such a suspension, but will be entitled to a hearing upon written request received by the Department no later than thirty (30) days from the date the Department mailed to Applicant by certified mail, return receipt requested, notification of such suspension, which hearing shall be held within sixty (60) days of the Department's receipt of Applicant's written request for a hearing.

15. At the hearing referred to in paragraph 14 above, Applicant shall have the burden of demonstrating that [he/she] continues to meet the conditions set forth herein to maintain a conditional consent to engage in the business of insurance. In the event Applicant's conditional consent is suspended pursuant to Paragraph 13 above, and Applicant either fails to request a hearing within 30 days or at the hearing fails to demonstrate that [s/he] continues to meet the conditions set forth herein to maintain a conditional consent to engage in the business of insurance, Applicant's suspended conditional consent shall be revoked.

16. In the event the Deputy Insurance Commissioner finds that there has been a breach of any of the provisions of this Order, based upon the Findings of Fact and Conclusions of Law contained herein, the Department may pursue any and all legal remedies available, including but not limited to the following: the Department may enforce the provisions of this Order in an administrative action pursuant to the Administrative Agency Law, supra, or other relevant provision of law or, if applicable, the Department may enforce the provisions of this Order in any other court of law or equity having jurisdiction.

17. Alternatively, in the event the Deputy Insurance Commissioner finds that there has been a breach of any provisions of this Order, the Deputy Insurance Commissioner may declare this Order to be null and void and, thereupon, reopen the entire matter for appropriate action pursuant to the Administrative Agency Law, supra, or other relevant provision of law.

18. In any such enforcement proceeding, Applicant may contest whether a breach of the provisions of this Order has occurred but may not contest the Findings of Fact or Conclusions of Law contained herein.

19. Applicant hereby expressly waives any relevant statute of limitations and application of the doctrine of laches for purposes of any enforcement of this Order.

20. This Order constitutes the entire agreement of the parties with respect to the matters referred to herein, and it may not be amended or modified except by an amended order signed by all the parties hereto.

21. This Order shall be final upon execution by the Deputy Insurance Commissioner. Only the Insurance Commissioner or the duly authorized Deputy Insurance Commissioner is authorized to bind the Insurance Department with respect to the matters addressed herein, and this Consent Order is not effective until executed by the Insurance Commissioner or the duly authorized Deputy Insurance Commissioner.

22. In addition to the authority conferred under Article IX of The Insurance Department Act of 1921, Act of May 17, 1921, P.L. 789, *added by* the Act of December 18, 1992, P.L. 1469, 40 P.S. §§323.1-323.8, the Insurance Commissioner and the Department shall have the authority to ensure compliance with the terms of this Order by any reasonable means, including but not limited to the right to review any books, records, or other materials in possession of the Company.

23. Within 25 business days of receipt of a copy of this Order executed by the Deputy Commissioner, Applicant agrees to notify the appropriate Company official(s) of the terms of this Order and to provide them with a copy of the same.

BY: Ronald E. Knauber, Jr.
Ronald E. Knauber, Jr., Applicant

Randolph L. Rohrbaugh
Randolph L. Rohrbaugh
Deputy Insurance Commissioner

EXHIBIT 1

JOB DESCRIPTION		AUDITED BY M. E. Gnall	DATE April 14, 1998 Revised Format 3/23/06 jmb
JOB TITLE Programmer Analyst III	DEPARTMENTAL NAME	SALARY PLAN/GRADE EG1/S04	JOB CODE 269810

SUMMARY OF JOB RESPONSIBILTIES (this will be used for the position posting)

This position is responsible for analysis, design, programming, testing and implementation for new and existing business application software, and production support. Qualifications include good organizational skills, good time management skills, ability to work independently and communicate with customers. The incumbent must be capable of working at a broad technical level in all phases of the application systems project life-cycle.

REQUIRED QUALIFICATIONS (these are required minimum qualifications for all incumbents)

Education/Work Experience*:

- A minimum of 2 years experience as a Programmer Analyst I; or a 4 year bachelor's degree coupled with 4 years of strong IS related work experience appropriate to the position; or equivalent training and experience which includes appropriate work experience or expertise in the business environment and applications technology.

Licenses or Certifications:

Additional Work Experience (indicate number of years and type(s) of experience):

- Incumbent will have a proficient understanding of business environment and information systems concepts, good analytical and problem solving skills, and understands the importance of quality improvement processes.
- Incumbent will possess proficient verbal and written communication skills to effectively interface with other professionals in the organization and demonstrate the ability to learn and apply new concepts.

OTHER QUALIFICATIONS (these are additional, specific qualifications that are preferred for incumbents)

Education*:

Licenses or Certifications:

Work Experience (indicate number of years and type(s) of experience):

- For some jobs, relevant work experience may be substituted for education on a year-for-year basis (e.g. 4 years relevant work experience equals a Bachelor's degree). This relevant experience must be clearly defined.

ESSENTIAL JOB FUNCTIONS

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ENVIRONMENT

This position reports to:

Reporting to this position (if applicable) are:

DIMENSIONS (list if applicable to this position 0 e.g., management position with direct budget accountability)

This position is responsible for: (check all that apply)

A total operating budget of

Claims volume of

Premium generated

Revenues of

Other pertinent dimensions – include any other quantitative data that would be helpful in measuring the impact of the position's activities:

MEDICARE INFORMATION (If this position accesses or has access to Medicare data, please indicate in what capacity)

ADDITIONAL OPTIONAL INFORMATION

Recognizing that no single document can cover every aspect of a position, you may choose to add pertinent data you believe to be important in understanding this position – e.g., problem solving, key contacts, nature of the business environment, etc. Please list this below:

SCOPE

With minimal supervision, this position is responsible for the development and implementation of medium to large application systems activities. The incumbent must have a basic knowledge of the business as it relates to the health care industry. The incumbent must be able to interface with the customer and determine system needs and business solutions. The incumbent must have knowledge in systems analysis and design techniques, a knowledge of standard programming methodologies for assigned areas, current systems technology, project life-cycle, and the ability to communicate on technical matters both verbal and written. The incumbent must possess good problem solving and project management skills. The incumbent should be able to serve as a leader for small projects within the organization. The incumbent acts as mentor to Associate Programmer Analysts. The incumbent is responsible for pursuing opportunities to improve current technical and business skills and to develop new technical and business skills.

SKILL LEVEL

All prior level business and technical skills apply in addition to the more complex skills required of the Programmer Analyst II. The incumbent must have the ability to apply business knowledge and technical skills to project development, as well as an ability to interface with customers from the organization in determining systems solutions. The incumbent will demonstrate the ability to expand business knowledge and learn new technical skills. The incumbent focuses on teamwork, communication, working with others within the organization, sharing knowledge, and process improvement.

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The incumbent should function at a proficiency level 2 for general business knowledge skills and at a proficiency level 3 for skills directly related to technical positions. (Refer to attached Skill Proficiency Level Descriptions)

[Click to view Proficiencies](#)

All Medicare contractor position descriptions are subject to the Centers for Medicare and Medicaid Services (CMS) security requirement to classify positions as to their sensitivity levels. These levels relate to the impact that the position has on access to Medicare beneficiary protected health information and/or financial information. The designations are high, medium and low sensitivity with each designation having specific background investigation criteria applied to them. The reinvestigation is required to be conducted at least every five years for each position.

THIS JOB REQUIRES THE WILLINGNESS AND ABILITY TO REPORT TOWORK ON A REGULAR AND TIMELY BASIS AND MAY REQUIRE WORKING IRREGULAR HOURS, HOLIDAY AND/OR WEEKENDS.