

BEFORE THE DEPUTY INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

In Re: : Pursuant to Sections 1401, 1402, and
 : 1403 of the Insurance Holding
Application of UnitedHealth Group : Companies Act, Article XIV of the
Incorporated Requesting Exemption : Insurance Company Law of 1921, Act of
from the Requirements of 40 P.S. : May 17, 1921, P.L. 682, as amended, 40
§991.1402 for the Restructuring of the : P.S. §§991.1401, 991.1402, and
Holding Company System that includes : 991.1403
AmeriChoice of Pennsylvania, Inc. :
 : Order No. ID-RC-10-15

DECISION AND ORDER

AND NOW, on this 14th day of July, 2010, Stephen J. Johnson, Deputy Insurance Commissioner of the Commonwealth of Pennsylvania (“Deputy Commissioner”), hereby makes the following Decision and Order:

Pursuant to the Insurance Holding Companies Act and in consideration of the documents, presentations, 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. AmeriChoice of Pennsylvania, Inc. (“AmeriChoice”) is an authorized health maintenance organization (“HMO”) organized pursuant to the laws of the Commonwealth of Pennsylvania with its principal place of business located in Philadelphia, Pennsylvania.
2. Three Rivers Holdings, Inc. (“Three Rivers”) is a business corporation organized pursuant to the laws of the State of Delaware with its principal place of business located in Braddock Hills, Pennsylvania.
3. AmeriChoice Corporation is a business corporation organized pursuant to the laws of State of Delaware with its principal place of business located in Reston, Virginia. AmeriChoice and Three Rivers are direct wholly-owned subsidiaries of AmeriChoice

Corporation.

4. UnitedHealth Group Incorporated (“UnitedHealth”) is a business corporation organized under the laws of the State of Minnesota with its principal place of business located in Minnetonka, Minnesota. AmeriChoice Corporation is a direct wholly-owned subsidiary of UnitedHealth.
5. UnitedHealth is the sole ultimate controlling person of AmeriChoice.
6. On June 22, 2010, the Pennsylvania Insurance Department (“Department”) received an initial request (which together with all material received subsequently is collectively referenced as “Request”) from UnitedHealth for approval to effectuate a corporate restructuring that would result in a change in direct ownership of AmeriChoice within the holding company system.
7. The Insurance Holding Companies Act, Article XIV of the Insurance Company Law of 1921, Act of May 17, 1921, P.L. 682, as amended, 40 P.S. §§991.1401 et seq. (“Insurance Holding Companies Act”), provides that all changes in control of domestic insurers must be filed with the Department for approval or disapproval.
8. The Request was filed pursuant to Section 1402 of the Insurance Holding Companies Act.
9. Section 1402(g) of the Insurance Holding Companies Act provides for the exemption from the requirements of Section 1402(b) if the transaction:
 - a) does not have the effect of changing or influencing the control of a domestic insurer, or
 - b) is otherwise not comprehended within the purposes of the section.
10. As described in the Request, AmeriChoice Corporation will distribute 100% of the stock of AmeriChoice to Three Rivers.
11. As described in the Request, UnitedHealth will remain the sole ultimate controlling person of AmeriChoice following the transaction.
12. The Deputy Commissioner finds that the transaction described in the Request does not have the effect of changing or influencing the control of a domestic insurer.
13. 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. Under Section 1402 of the Insurance Holding Companies Act, the Department has jurisdiction to review and approve the acquisition of controlling securities of a domestic insurer if, after consummation thereof, the acquiring person would be in control of the domestic insurer.
2. The Request was properly filed pursuant to and in accordance with Section 1402(g) of the Insurance Holding Companies Act.
3. The restructuring of the holding company system proposed in the Request is not being contemplated to change or influence the ultimate control of AmeriChoice, and, therefore, is exempt from the requirements of Section 1402(b) of the Insurance Holding Companies Act.
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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§991.1402 for the Restructuring of the	:	P.S. §§991.1401, 991.1402, and
Holding Company System that includes	:	991.1403
AmeriChoice of Pennsylvania, Inc.	:	
	:	Order No. ID-RC-10-15

ORDER

Upon consideration of the foregoing, the Deputy Insurance Commissioner of the Commonwealth of Pennsylvania, hereby makes the following Order:

An approving determination for the request for exemption from the requirements of 40 P.S. §991.1402(b) for the restructuring of the holding company system containing AmeriChoice of Pennsylvania, Inc., as set forth in the Request, is hereby granted.

This Order is effective immediately and valid for one year from the date of signature, provided there are no significant changes from the Request.

STEPHEN J. JOHNSON
Deputy Insurance Commissioner
Office of Corporate and Financial Regulation