

STATE OF ARIZONA

DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS

In the Matter of the Merger of)
) Docket No. 21A-027-INS
)
4 **Wellcare Health Plans of Arizona, Inc.**)
(**NAIC No. 16253**))
)
5) **ORDER APPROVING MERGER**
)
) **Insurer,**)
6 Into)
)
)
7 **Health Net of Arizona, Inc.**)
(**NAIC No. 95206**),)
8)
)
)
)
9 **Petitioner.**)

On March 2, 2021, pursuant to A.R.S. § 20-1070, Health Net of Arizona, Inc. ("Petitioner") submitted an application to the Arizona Department of Insurance and Financial Institutions ("Department") for the merger of Wellcare Health Plans of Arizona, Inc. ("Insurer") with and into Petitioner.

Based upon reliable evidence provided to the Director of Insurance and Financial Institutions by the Assistant Director of the Financial Affairs Division of the Department, the Director finds as follows:

FINDINGS OF FACT

1. Insurer is duly qualified and authorized as a health care services organization in the State of Arizona.

2. Petitioner is duly qualified and authorized as a health care services organization in the State of Arizona.

3. The merging persons have met the requirements for a Certificate of Authority.

4. Insurer has a \$100.00 deposit with the Insurance Examiners' Revolving Fund ("IERF").

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

5. The Department holds a \$510,000 statutory deposit on behalf of the Insurer.

6. Petitioner has prepared a Statement of Merger that it intends to file with the Arizona Corporation Commission (“ACC”).

CONCLUSIONS OF LAW

1. The application established that none of the enumerated grounds set forth in A.R.S. § 20-1070 exist so as to provide a basis for disapproval or rejection of the Agreement and Plan of Merger.

2. The evidence established that Petitioner has complied with the provisions of A.R.S. § 20-1070 and established by credible evidence that the Agreement and Plan of Merger between Insurer and Petitioner should be approved.

ORDER

1. The Agreement and Plan of Merger between Insurer and Petitioner is approved.

2. Petitioner may file its Statement of Merger with the ACC.

3. Insurer shall pay its 2021 Certificate of Authority renewal fee to the Department unless Petitioner files its Statement of Merger with the ACC to be effective on or before March 31, 2021.

4. Insurer shall file its 2021 Annual Statement including applicable fees with the Department unless Petitioner files its Statement of Merger with the ACC to be effective on or before December 31, 2021.

5. Insurer shall pay its 2022 Certificate of Authority renewal fee to the Department unless Petitioner files its Statement of Merger with the ACC to be effective on or before March 31, 2022.

1 6. The Department shall release the \$510,000 statutory deposit of the Insurer to the
2 Petitioner after the Department receives the following: (a) an ACC certified copy of Petitioner's
3 ACC filed Statement of Merger; (b) payment of any outstanding IERF invoices; (c) the filing of
4 the Petitioner's 2020 Annual Statement, together with payment of all applicable fees, and, if
5 applicable, (d) the filing of the Petitioner's 2021 Annual Statement, together with payment of all
6 applicable fees. The Director has no personal liability for the release of such deposit so made
7 by him in good faith as provided in A.R.S. §20-588(B).

8 7. The Department shall refund to the Insurer the \$100.00 that was previously
9 credited to the IERF, pursuant to A.R.S. § 20-159.

10 Effective this 24th day of March, 2021.

11 

12

Evan G. Daniels, Director
13 **Arizona Department of Insurance and Financial Institutions**

14 COPY of the foregoing mailed/delivered
15 this 25TH day of MARCH, 2021, to:

16 Tim Farber
17 Locke Lord LLP
18 111 South Wacker Drive
19 Chicago, Illinois 60606
20 tfarber@lockelord.com

21 Deian Ousounov, Regulatory Legal Affairs Officer
22 Maria Ailor, Assistant Director
23 Kurt Regner, CFE, Assistant Director
24 Catherine O'Neil, Consumer Legal Affairs Officer
Cary Cook, Chief Financial Compliance Officer
Ana Starcevic, Paralegal Project Specialist
Arizona Department of Insurance and Financial Institutions
100 N. 15th Avenue, Suite 261
Phoenix, Arizona 85007

Francine Juarez