



**BEFORE THE COMMISSIONER OF COMMERCE AND INSURANCE
FOR THE STATE OF TENNESSEE**

TENNESSEE INSURANCE DIVISION,)	
)	
Petitioner,)	
)	
vs.)	TID No.: 21-130
)	
BLUECROSS BLUESHIELD OF)	
TENNESSEE, INC.,)	
)	
Respondent.)	
)	

AGREED ORDER

WHEREAS, Petitioner, the Insurance Division of the Tennessee Department of Commerce and Insurance (“Division”), and BlueCross BlueShield of Tennessee, Inc. (“Respondent”) hereby stipulate and agree, subject to the approval of the Commissioner of the Tennessee Department of Commerce and Insurance (“Commissioner”), as follows:

GENERAL STIPULATIONS

1. It is expressly understood that this Agreed Order (“Order”) is subject to the Commissioner’s acceptance and has no force and effect until such acceptance is evidenced by the entry and execution of the Commissioner.

2. This Order is executed by the Respondent for the purpose of avoiding further administrative action with respect to this cause. Furthermore, should this Order not be accepted by the Commissioner, it is agreed that presentation to and consideration of this Order by the Commissioner shall not unfairly or illegally prejudice the Commissioner from further participation or resolution of these proceedings.

3. The Respondent fully understands that this Order will in no way preclude additional proceedings by the Commissioner against the Respondent for acts or omissions not specifically addressed in this Order or for facts and/or omissions that do not arise from the facts or transactions herein addressed.

4. The Respondent fully understands that this Order will in no way preclude proceedings by state government representatives, other than the Commissioner, for violations of the law addressed specifically in this Order against the Respondent for violations of law under statutes, rules, or regulations of the State of Tennessee, which may arise out of the facts, acts, or omissions contained in the Findings of Fact and Conclusions of Law stated herein, or which may arise as a result of the execution of this Order by the Respondent.

5. The Respondent expressly waives all further procedural steps, and expressly waives all rights to seek judicial review of or to otherwise challenge or contest the validity of this Order, the stipulations and imposition of discipline contained herein, and the consideration and entry and execution of said Order by the Commissioner.

AUTHORITY AND JURISDICTION

6. The Commissioner has jurisdiction over this matter pursuant to Title 56 of the Tennessee Code Annotated (“Tenn. Code Ann.”), specifically Tenn. Code Ann. §§ 56-1-101 *et seq.*, 56-1-202, 56-1-401 *et seq.*, 56-2-101, and 56-2-305 (the “Law”). The Law places on the Commissioner the responsibility of its provisions.

PARTIES

7. The Division is the lawful agent through which the Commissioner administers the Law and is authorized to bring this action for the protection of the public.

8. The Respondent is an insurance company domiciled in the State of Tennessee. The Respondent (NAIC# 54518) has a certificate of authority to sell hospital insurance plans in the State of Tennessee.

FINDINGS OF FACT

9. BlueCross BlueShield (“BCBST”) filed an expansion application with the Georgia Department of Insurance and a Certificate of Authority was issued to BCBST by the state of Georgia in December of 2020.

10. As a result, BCBST became a multi-state insurer. Multi-state insurers are required to submit a Corporate Governance Annual Disclosure filing by June 1 of each year.

11. BCBST’s 2020 CGAD filing was received on July 16, 2021, making it forty-five (45) days late.

CONCLUSIONS OF LAW

12. Tenn. Code Ann. § 56-2-904 provides that an insurer shall submit to the Commissioner a Corporate Governance Annual Disclosure (CGAD) filing that contains the information required by the rules promulgated pursuant to this part no later than June 1 of each calendar year.

13. Tenn. Code Ann. § 56-2-909 states the following:

Any insurer failing, without just cause, to timely file the CGAD as required in this part is required, after notice and a hearing, to pay a civil penalty of one hundred dollars (\$100) per day for each day of delay, to be recovered by the commissioner, which must be paid into the general fund of this state. The maximum penalty under this section is ten thousand dollars (\$10,000). The commissioner may reduce the civil penalty if the insurer demonstrates to the commissioner that imposition of the civil penalty would constitute a financial hardship to the insurer in the commissioner's sole discretion.

...

ORDER

IT IS THEREFORE ORDERED, pursuant to Tenn. Code Ann. § 56-2-909, that the Respondent, BlueCross BlueShield of Tennessee, Inc. pay a **CIVIL PENALTY** in the amount of four thousand five hundred dollars (\$4,500) for the violations of Tennessee insurance law. The first page of this Order must accompany payment for reference. Payment shall be made within thirty (30) days of the date this agreement is executed by the Commissioner, and payment shall be either mailed to the following address or paid via phone by credit card.

**State of Tennessee
Department of Commerce and Insurance
Legal Division
Attn: Jenny Taylor
Davy Crockett Tower
500 James Robertson Parkway
Nashville, TN 37243**

This Order may be executed in two (2) or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same document. The facsimile, email, or other electronically delivered signatures of the parties shall be deemed to constitute original signatures and facsimile or electronic copies shall be deemed to constitute duplicate originals.

This Order is in the public interest and in the best interests of the parties, represents a compromise and settlement of the controversy between the parties, and is for settlement purposes only. By the signatures affixed below, the Respondent affirmatively states that it has freely agreed to the entry and execution of this Order, that it waives the right to a hearing on the matters underlying this Order and to a review of the Findings of Fact and Conclusions of Law contained herein, and that no threats or promises of any kind have been made to it by the Commissioner, the Division, or any agent or representative thereof. The parties, by signing the Order, affirmatively state their agreement to be bound by the terms of this Order and aver that no promises or offers

relating to the circumstances described herein, other than the terms of settlement as set forth in this Order, are binding upon them.

ENTERED AND EXECUTED on August 27th, 2021.

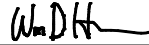

Carter Lawrence (Aug 27, 2021 15:28 CDT)

Carter Lawrence, Commissioner
Department of Commerce and Insurance

APPROVED FOR ENTRY AND EXECUTION:

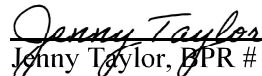


Jill Langston
Corporate Secretary
BlueCross BlueShield of Tennessee, Inc.



Bill Huddleston (Aug 25, 2021 10:30 CDT)

Bill Huddleston, Assistant Commissioner
Tennessee Insurance Division



Jenny Taylor, BPR # 027264
Associate General Counsel and
Supervising Attorney
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