BEFORE THE DEPARTMENT OF COMMERCE AND INSURANCE
FOR THE STATE OF TENNESSEE

IN THE MATTER OF:	)	
	)	**No.: 10-035**
WINDSOR HEALTH PLAN, INC.	)	
	)	

ORDER ADOPTING EXAMINATION REPORT WITH DIRECTIVES

Pursuant to Tenn. Code Ann. §§ 56-32-101, *et seq.*, the Insurance Division of the State of Tennessee Department of Commerce and Insurance ("Division") has examined certain affairs of the Windsor Health Plan, Inc. ("Company"), a health maintenance organization domiciled in the State of Tennessee. As a result of an examination conducted as of the 31st day of December, 2008, the examiner-in-charge filed with the Division, on the 8th day of June, 2010, a verified, written report on the examination, and a copy of that report has been sent to the Company. (The Report on Examination of the Company is attached hereto and marked as Exhibit A). The Division received written comments on said examination report from the Company on the 18th day of June 2010. (A copy of the Company's written comment is attached hereto and marked as Exhibit B.)

Pursuant to Tenn. Code Ann. §§ 56-1-411 and 56-32-115, said examination report regarding the affairs of the Windsor Health Plan, Inc., filed with the Insurance Division of the State of Tennessee Department of Commerce and Insurance on the 8th day of June, 2010, is hereby **ADOPTED** as filed with the following **DIRECTIVES**:

1. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-3-301(b)(1) by not making an investment or loan, except policy loans, unless the investment or loan has been authorized by the board of directors or by a committee appointed by the board and charged with the duty of supervising the investment or loan; provided, that the acquisition and disposal of short-term bonds, debentures, notes, commercial paper, certificates of deposits or similar evidences of indebtedness, having a remaining maturity of ninety (90) days or less, if in accordance with Tenn. Code Ann.

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§ 56-3-303 and if done under the general supervision and periodic review of the board or a committee appointed by the board, shall not require specific approval of the board or committee.

2. The Company is **DIRECTED** to comply with its Bylaws by recording annual meetings of the shareholders or Board of Directors of the Company, by having the shareholders formally elect a Board of Directors of the Company, by having the Board of Directors formally elect officers of the Company, and by recording shareholders or Board of Director meeting minutes.

3. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-11-106(a)(2)(D) by file the current Management Service Agreement with Windsor Management Services, Inc., the Administrative Services Agreement with Windsor Management Services, Inc., and the Delegation Agreement with Windsor Management Services, Inc. with the Tennessee Department of Commerce and Insurance in the form of a Form D, pursuant to Tenn. Comp R. & Reg. § 0780-01-67.

4. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-32-108 by filing its audited financial statements by June 1 of each year.

5. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-32-112(a)(2) by maintaining the minimum net worth requirement.

6. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-3-112 and Tenn. Comp. R. & Reg. § 0780-1-46 by establishing a proper custodial agreement, with a bank that is a member of the federal reserve system, that meets the requirements of Tenn. Code Ann. § 56-3-112 and Tenn. Comp. R. & Reg. § 0780-1-46. Furthermore, all funds held through a custodial agreement that does not meet the requirements of Tenn. Comp. R. & Reg. § 0780-1-46 are to be reported as non-admitted assets on future annual statement filings per Tennessee Regulation 0780-1-46-.03(4).

7. The Company is **DIRECTED** to comply with NAIC Statement of Statutory Accounting Principals SSAP # 26 (Bonds, excluding Loan-backed and Structured Securities) by reporting investments in corporate bonds as long-term bonds in the Annual Statement.

8. The Company is **DIRECTED** to comply with NAIC Statement of Statutory Accounting Principals SSAP # 25 (Settlement Requirements for Intercompany Transactions) by reporting receivables from parent, subsidiaries and affiliates in accordance with the guidance in SSAP # 25.

The company shall comply with the directives contained in this order within thirty (30) days of its entry.

The adoption of this examination report shall not preclude the Department from imposing sanctions against the Windsor Health Plan, Inc. for potential violations of the Tennessee Insurance Law which may be revealed in the examination report, it being the intent of this Order Adopting Examination Report With Directives merely to adopt the examination report filed by the examiner-in-charge.

It is so **ORDERED**.

ENTERED this the 25th day of June, 2010.

Leslie A. Newman, Commissioner
Department of Commerce and Insurance
State of Tennessee

PREPARED FOR ENTRY:

Tony Greer (BPR# 023657)
Assistant General Counsel
Tennessee Department of Commerce and Insurance
500 James Robertson Parkway
Davy Crockett Tower, Second Floor
Nashville, Tennessee 37243
(615) 741-2199

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Order Adopting Examination Report as Filed has been messenger mailed to Larry C. Knight, Jr., Assistant Commissioner for Insurance, Department of Commerce and Insurance, and mailed, first class, postage prepaid, to the Windsor Health Plan, Inc., 7100 Commerce Way, Brentwood, TN 37027, on this the 24 day of June, 2010.

Tony Greer
Certifying Attorney