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MAR 01 2011

Department of Insurance
State of Idaho

BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE

STATE OF IDAHO

In the Matter of:

BLUE CROSS AND BLUE SHIELD OF
KANSAS, INC., NAIC NO. 70729;
LOUISIANA HEALTH SERVICE AND
INDEMNITY COMPANY, d/b/a/ BLUE
CROSS BLUE SHIELD OF LA, NAIC NO.
81200,

Respondents.

Docket No. 18-2663-11

ORDER OF DEFAULT

Based on the record, including the Affidavit of Richard B. Burleigh, and good cause appearing therefor;

NOW, THEREFORE, IT IS HEREBY ORDERED, pursuant to Idaho Code § 41-232(5), that the Respondents, BLUE CROSS AND BLUE SHIELD OF KANSAS, INC., NAIC NO. 70729; LOUISIANA HEALTH SERVICE AND INDEMNITY COMPANY, d/b/a/ BLUE CROSS BLUE SHIELD OF LA, NAIC NO. 81200, are deemed to have waived their right to a hearing by their failure to answer the Complaint, and they are hereby ordered as follows:

- Individually, to pay an administrative penalty of \$10,000 for the violations of the Idaho Code § 41-6000 *et seq.*, due and payable immediately;
- To immediately pay its individual assessments for Fiscal Year 2010 as set forth in the Verified Complaint (\$7,661.00, as to LOUISIANA HEALTH SERVICE AND INDEMNITY COMPANY, d/b/a/ BLUE CROSS BLUE SHIELD OF LA and \$3,666.00 as to BLUE CROSS AND BLUE SHIELD OF KANSAS, INC.), plus interest at 12% annual rate (the rate provided by Section 28-22-104(1), Idaho Code) calculated from January 3, 2011, through the date of payment;
- To timely submit the required surveys for Fiscal Year 2011; and
- To timely pay its individual assessment for Fiscal Year 2011 as determined by the Idaho Immunization Assessment Board.

NOTIFICATION OF RIGHTS

This is a final order of the agency. Any party may file a motion for reconsideration of this final order within fourteen (14) days of the service date of this order. The agency will dispose of the petition for reconsideration within twenty-one (21) days of its receipt, or the petition will be considered denied by operation of law. *See* Section 67-5246(4), Idaho Code. Pursuant to Sections 67-5270 and 67-5272, Idaho Code, any party aggrieved by this final order or orders previously issued in this case may appeal this final order and all previously issued orders in this case to district court by filing a petition in the district court of the county in which:

- i. A hearing was held,
- ii. The final agency action was taken,
- iii. The party seeking review of the order resides, or operates its principal place of

- business in Idaho, or
- iv. The real property or personal property that was the subject of the agency action is located.

An appeal must be filed within twenty-eight (28) days of (a) the service date of this final order, (b) an order denying petition for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration, whichever is later. *See* Section 67-5273, Idaho Code. The filing of an appeal to district court does not itself stay the effectiveness or enforcement of the order under appeal.

DATED this 1ST day of MARCH 2011.



WILLIAM W. DEAL, Director
Idaho Department of Insurance

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have, on this 1st day of March 2011, caused a true and correct copy of the foregoing ORDER OF DEFAULT to be served upon the following by the designated means:

Louisiana Health Service And Indemnity
Company d/b/a/ Blue Cross Blue Shield of LA
P.O. Box 98029
Baton Rouge, LA 70898-9029

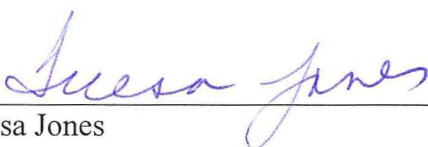
- first class mail
- certified mail
- hand delivery
- via facsimile

Blue Cross and Blue Shield of Kansas, Inc.
P.O. Box 239
Topeka, KS 66629-0001

- first class mail
- certified mail
- hand delivery
- via facsimile

Richard B. Burleigh
Deputy Attorney General
Idaho Department of Insurance
700 W. State Street
P.O. Box 83720
Boise, Idaho 83720-0043

- first class mail
- certified mail
- hand delivery
- via facsimile



Teresa Jones