

State of Idaho
DEPARTMENT OF INSURANCE

C.L. "BUTCH" OTTER
Governor

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WILLIAM W. DEAL
Director

January 12, 2012

Via US Mail & Email: jingraham@ascensionins.com

James H. Ingraham
Executive Vice President/Secretary
Ascension Insurance, Inc.
2345 Grand Boulevard, Suite 610
Kansas City, MO 64108

RE: TPA Application of SA Insurance Services, Inc.

Dear Mr. Ingraham:

This letter is in reference to the Third Party Administrator (TPA) home state license application submitted by SA Insurance Services, Inc., submitted on March 7, 2011, as amended and supplemented, including the supplemental information submitted on December 28, 2011. After due consideration of all of the information provided by SA Insurance Services, Inc., the Idaho Department of Insurance hereby withdraws the denial of application previously issued on August 25, 2011 and hereby approves and grants to SA Insurance Service, Inc., a TPA home state license pursuant to the Department's authority under title 41, chapter 9 of the Idaho Code.

Please note that the Department's decision to issue the TPA home state license to SA Insurance Services, Inc., is pursuant to the specific circumstances and factual background as developed in the submissions of SA Insurance Services, Inc., including but not limited to Ascension Insurance, Inc., SA Insurance Services, Inc.'s parent, stated willingness to infuse capital into SA Insurance Services, Inc., to cure the previously noted impairment of capital, and to monitor SA's capital level(s) to preclude future capital impairments. No concession is made by the Department concerning its application of Idaho Code § 41-911.

You will be receiving electronic confirmation of the issuance of the TPA home state license in due course.

This letter constitutes a preliminary order of the Idaho Department of Insurance, subject to your right to request a hearing concerning the basis of the Department's decision to grant SA Insurance Services, Inc.'s TPA home state license application. Pursuant to Idaho Code § 41-232A(1), such request must be in writing and be received by the Department within twenty-one (21) days of the issuance of this preliminary order. Your failure to request a hearing within that time period shall be deemed a waiver of the

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opportunity for a hearing, and this order shall become a final order, as defined in the Idaho Administrative Procedure Act, Idaho Code § 67-5240 *et seq.* (APA), without further notice. Any hearing held in this matter will be conducted in accordance with the contested case provisions of the APA.

If you have any questions, please feel free to contact the undersigned.

Sincerely,



Georgia Siehl, CPA, CFE
Bureau Chief, Chief Examiner
Idaho Department of Insurance