



MIKE CHANEY
Commissioner of Insurance
State Fire Marshal

MARK HAIRE
Deputy Commissioner of Insurance

RICKY DAVIS
State Chief Deputy Fire Marshal

MISSISSIPPI INSURANCE DEPARTMENT

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July 29, 2020

CERTIFIED MAIL RETURN RECEIPT REQUESTED

Ms. Bridget L. Galatas, President
Molina Healthcare of Mississippi, Inc.
188 E. Capitol Street, Suite 700
Jackson, MS 39201

RE: Report of Examination as of December 31, 2018

Dear Ms. Galatas:

In accordance with Miss. Code Ann. §§ 83-5-201 et seq. and 83-41-337(1) (Rev. 2011), an examination of your Company has been completed. Enclosed herewith is the Order adopting the report and a copy of the final report as adopted.


Pursuant to Miss. Code Ann. § 83-5-209(6)(a) (Rev. 2011), the Mississippi Department of Insurance shall continue to hold the content of said report as private and confidential for a period of ten (10) days from the date of the Order. After the expiration of the aforementioned 10-day period, the Department of Insurance will open the report for public inspection.

If you have any questions or comments, please feel free to contact me.

Sincerely,

MIKE CHANEY
COMMISSIONER OF INSURANCE

BY


Christina J. Kelsey
Senior Attorney

MC/CJK/bs
Encls. Order w/exhibit

**BEFORE THE COMMISSIONER OF INSURANCE
OF THE STATE OF MISSISSIPPI**

**RE: REPORT OF EXAMINATION OF
MOLINA HEALTHCARE OF MISSISSIPPI, INC.**

CAUSE NO. 20-7530

ORDER

THIS CAUSE came on for consideration before the Commissioner of Insurance of the State of Mississippi ("Commissioner"), or his designated appointee, in the Offices of the Commissioner, 1001 Woolfolk Building, 501 North West Street, 10th Floor, Jackson, Hinds County, Mississippi, pursuant to Miss. Code Ann. §§ 83-5-201 et seq. and 83-41-337(1) (Rev. 2011). The Commissioner, having fully considered and reviewed the Report of Examination together with any submissions or rebuttals and any relevant portions of the examiner's work papers, makes the following findings of fact and conclusions of law, to-wit:

JURISDICTION

I.

That the Commissioner has jurisdiction over this matter pursuant to the provisions of Miss. Code Ann. §§ 83-5-201 et seq. and 83-41-337(1) (Rev. 2011).

II.

That Molina Healthcare of Mississippi, Inc. is a Mississippi-domiciled health maintenance organization ("HMO") which was incorporated under the laws of the state of Mississippi on March 2, 2009, and received a certificate of authority to transact business as a health maintenance organization effective January 19, 2018, to provide comprehensive health care services to Medicaid enrollees under contracts with the state of Mississippi, Office of the Governor, Division of Medicaid. The Company commenced operations on October 1, 2018, to serve Medicaid members. The Company may terminate the Medicaid contract with ninety (90) day written notice.

FINDINGS OF FACT

III.

That the Commissioner, or his appointee, pursuant to Miss. Code Ann. §§ 83-5-201 et seq. and 83-41-337(1) (Rev. 2011), called for an examination of Molina Healthcare of Mississippi, Inc. and appointed Kimberly Strong, Examiner-In-Charge, to conduct said examination.

IV.

That on or about June 17, 2020, the draft Report of Examination concerning Molina Healthcare of Mississippi, Inc. for the period of January 19, 2018, through December 31, 2018, was submitted to the Mississippi Department of Insurance by Examiner-In-Charge, Kimberly Strong.

V.

That on or about June 29, 2020, pursuant to Miss. Code Ann. § 83-5-209(2) (Rev. 2011), the Department forwarded to the Company a copy of the draft report and allowed the Company a 15-day period to submit any rebuttal to said draft. The Company responded in an email on or about July 6, 2020, to the Department.

CONCLUSIONS OF LAW

VII.

The Commissioner, pursuant to Miss. Code Ann. § 83-5-209(3) (Rev. 2011), must consider and review the report along with any submissions or rebuttals and all relevant portions of examiner work papers and enter an Order: (1) adopting the Report of Examination as final or with modifications or corrections; (2) rejecting the Report of Examination with directions to reopen; or (3) calling for an investigatory hearing.

IT IS, THEREFORE, ORDERED, after reviewing the draft Report of Examination and all relevant examiner work papers, that the draft Report of Examination of Molina Healthcare of Mississippi, Inc., attached hereto as Exhibit "A", should be and same is hereby adopted as final.

IT IS FURTHER ORDERED that a copy of the adopted Report of Examination, accompanied with this Order, shall be served upon the Company by certified mail, postage pre-paid, return receipt requested.

IT IS FURTHER ORDERED that the Mississippi Department of Insurance shall continue to hold the content of this report as private and confidential information for a period of ten (10) days from the date of this Order, pursuant to Miss. Code Ann. § 83-5-209(6)(a) (Rev. 2011).

IT IS FURTHER ORDERED, pursuant to Miss. Code Ann. § 83-5-209(4) (Rev. 2011), that within thirty (30) days of the issuance of the adopted report, Molina Healthcare of Mississippi, Inc. shall file affidavits executed by each of its directors stating under oath that they have received a copy of the adopted report and related orders.

IT IS FURTHER ORDERED that Molina Healthcare of Mississippi, Inc. take the necessary actions and implement the necessary procedures to ensure that all recommendations contained in the Report of Examination are properly and promptly complied with.

SO ORDERED, this the 29th day of July 2020.



Mark Haire
MARK HAIRE
DEPUTY COMMISSIONER OF INSURANCE

CERTIFICATE OF MAILING

I hereby certify that a true and correct copy of the above and foregoing Order and a copy of the final Report of Examination, as adopted by the Mississippi Department of Insurance, was sent by certified mail, postage pre-paid, return receipt requested, on this the 29th day of July 2020, to:

**Ms. Bridget L. Galatas, President
Molina Healthcare of Mississippi, Inc.
188 E. Capitol Street, Suite 700
Jackson, MS 39201**



Christina J. Kelsey
Senior Attorney

Christina J. Kelsey
Senior Attorney
Counsel for the Mississippi Department of Insurance
Post Office Box 79
Jackson, MS 39205-0079
(601) 359-3577
Miss. Bar No. 9853



MISSISSIPPI INSURANCE DEPARTMENT

Report of Examination

of

Molina Healthcare of Mississippi, Inc.

as of

December 31, 2018

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**EXAMINER'S AFFIDAVIT AS TO STANDARDS AND PROCEDURES
USED IN AN EXAMINATION**

State of Mississippi,
County of Madison,

Kimberly Strong, being duly sworn, states as follows:

1. I have authority to represent the Mississippi Insurance Department in the examination of Molina Healthcare of Mississippi, Inc. as of December 31, 2018.
2. The Mississippi Insurance Department is accredited under the National Association of Insurance Commissioners ("NAIC") Financial Regulation Standards and Accreditation.
3. I have reviewed the examination work papers and examination report, and the examination of Molina Healthcare of Mississippi, Inc. was performed in a manner consistent with the standards and procedures required by the National Association of Insurance Commissioners and the Mississippi Insurance Department.

The affiant says nothing further.

Kimberly Strong

Kimberly Strong, CPA, CFE
Examiner-in-Charge

Subscribed and sworn before me by Kimberly Strong on the 15th day of
July, 2020.

(SEAL)



Mollie H. Corulla

Notary Public

My commission expires October 29, 2021 (date).



MIKE CHANEY
Commissioner of Insurance
State Fire Marshal
MARK HAIRE
Deputy Commissioner of
Insurance

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501 N. WEST STREET, SUITE 1001
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MAILING ADDRESS
Post Office Box 79
Jackson, MS 39205-0079

May 29, 2020

Honorable Mike Chaney
Commissioner of Insurance
Mississippi Insurance Department
1001 Woolfolk Building
501 North West Street
Jackson, Mississippi 39201

Dear Commissioner Chaney:

Pursuant to your instructions and authorization and in compliance with statutory provisions, a coordinated examination has been conducted, as of December 31, 2018, of the affairs and financial condition of:

Molina Healthcare of Mississippi, Inc.

188 East Capitol Street, Suite
700
Jackson, MS 39201

License #	NAIC Group #	NAIC #	FEETS#	MATS#
1700015	1531	16301	16301-MS-2018-5	MS-MS099-23

This examination was commenced in accordance with Miss. Code Ann. §83-5-201 *et seq.* and §83-41-337 and was performed in Jackson, Mississippi, at the statutory home office of the Company. The report of examination is herewith submitted.

SCOPE OF EXAMINATION

We have performed the coordinated examination of Molina Healthcare of Mississippi, Inc. (the "Company"). This examination covers the period January 19, 2018 through December 31, 2018.

We conducted our examination in accordance with the NAIC *Financial Condition Examiners Handbook*. The Handbook requires that we plan and perform the examination to evaluate the financial condition, assess corporate governance, identify current and prospective risks of the Company and evaluate system controls and procedures used to mitigate those risks. An examination also includes identifying and evaluating significant risks that could cause an insurer's surplus to be materially misstated both currently and prospectively.

All accounts and activities of the Company were considered in accordance with the coordinated risk-focused examination process. This may include assessing significant estimates made by management and evaluating management's compliance with statutory accounting principles. The examination does not attest to the fair presentation of the financial statements included herein. If, during the course of the examination an adjustment is identified, the impact of such adjustment will be documented separately following the Company's financial statements.

This examination report includes significant findings of fact and general information about the insurer and its financial condition. There may be other items identified during the examination that, due to their nature (e.g., subjective conclusions, proprietary information, etc.), are not included within the examination report but separately communicated to other regulators and/or the Company.

COMMENTS AND RECOMMENDATIONS OF PREVIOUS EXAMINATION

The Company began operations as of January 19, 2018. As such, there were no previous examination comments and recommendations.

HISTORY OF THE COMPANY

The Company was incorporated under the laws of the state of Mississippi on March 2, 2009 and received a certificate of authority to transact business as a health maintenance organization ("HMO") effective January 19, 2018 to provide comprehensive health care services to Medicaid enrollees under contracts with the state of Mississippi, Office of the Governor, Division of Medicaid ("Division"). The Company commenced operations on October 1, 2018 to serve Medicaid members. The Company may terminate the Medicaid contract with ninety (90) day written notice.

The Company contracts with independent physician associations, hospitals and other providers to provide medical services to its members.

CORPORATE RECORDS

The minutes of the meetings of the Board of Directors (“Board”), prepared during the period under examination, were reviewed and appeared to be complete with regard to the matters brought up at the meetings for deliberation, which included approval of the Company's investment portfolio and actions of the Company's officers.

MANAGEMENT AND CONTROL

Stockholder

As of December 31, 2018, the Company had ten thousand (10,000) of no-par value common capital stock authorized, 100 shares issued and outstanding. The common capital stock was owned 100% by Molina Healthcare, Inc.

Board of Directors

The Amended and Restated Articles of Incorporation and Bylaws vest the management and control of the Company's business affairs with the Board. The members of the duly elected Board, along with their place of residence and principal occupation, at December 31, 2018, were as follows:

Name and Residence	Principal Occupation
Bridget Leigh Galatas Ridgeland, Mississippi	President, Molina Healthcare of Mississippi, Inc.
John James McGuinness, Long Beach, California	Molina Healthcare of Mississippi, Inc.
Christopher Joseph Mardesich, Santa Monica, California	Molina Healthcare of Mississippi, Inc.

Officers

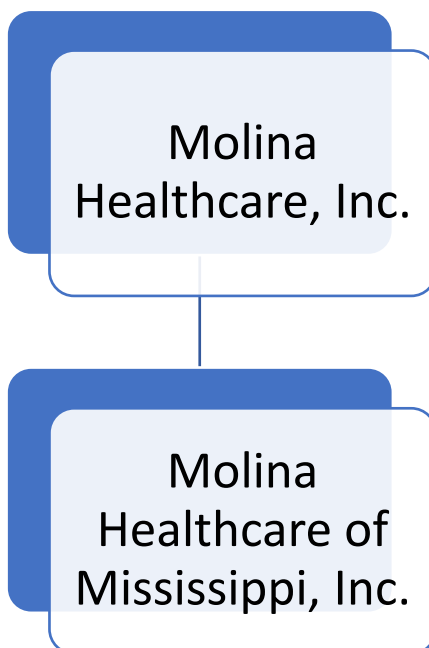
Name	Title
Bridget Leigh Galatas	President
James Thomas Beiermann	Chief Financial Officer
Jeffrey Don Barlow	Secretary

Conflict of Interest

The Company had formal procedures whereby disclosure was made to the Board of any material interest or affiliation on the part of any officer or director that was, or would likely be, a conflict with the official duties of such persons.

HOLDING COMPANY STRUCTURE

The Company is a member of an insurance holding company system as defined in Miss. Code Ann. §83-6-1. The Company was required to file with the MID, Holding Company Registration Statements in accordance with Miss. Code Ann. §83-6-5 and §83-6-9. These filings set forth material changes in structure, identity or relationships of affiliates and any material transactions by and between the Company and its affiliates.



Parent and Affiliated Companies

The above simplified organizational chart reflects the direct ownership of the Company.

MOLINA HEALTHCARE, INC.(Molina): Molina Healthcare, Inc. delivers health care services to financially vulnerable families and individuals who are covered by government programs primarily through local health plans in 14 states and the Commonwealth of Puerto Rico. Each health plan's organizational structure includes a management team responsible for the profitability and pre-determined goals and objectives of the plan. The health plan president reports to Molina's Executive Vice President, Health Plan Operations. All key functions supporting local health plans, such as claims processing, IT, legal, human resources, etc. are carried out at the corporate offices located in Long Beach, California.

The Company received contributions in the amounts of \$28 million and \$5 million from Molina Healthcare, Inc. for the years ended December 31, 2018 and 2017, respectively.

Affiliated and Related Party Transactions

Amended and Restated Services Agreement – Each health plan has an agreement with Molina whereby Molina provides certain administrative, consulting, and other support services to the health plans. Expenses incurred relating to this agreement include claims adjustment and general and administrative

expenses. The Company paid Molina, on a monthly basis, a Monthly Charge, which is calculated based on the actual costs incurred by Molina for the agreed upon services. The Monthly Charge is calculated based on the following methodologies: (i) ratio of health plan's revenue to total Molina's revenue; (ii) ratio of the Company's employee headcount to Molina's subsidiaries' employee headcount; and (iii) direct charge for costs of services provided directly and exclusively to the Company. The Monthly Charge is allocated to the Company in accordance with SSAP No. 70. The Company paid the Monthly Charge no later than thirty (30) day after receipt of invoices from Molina, but such Monthly Charge may be adjusted periodically by mutual consent between the Company and Molina. Expenses incurred related to this agreement amounted to \$1.5 million for the year ended December 31, 2018. At December 31, 2018, amounts due to Molina and affiliates totaled \$29,073.

Federal Tax Sharing Agreement –Molina files a consolidated federal income tax return. Under a written inter-company tax-sharing agreement with Molina, approved by the Company's board of directors, the combined federal income tax is allocated to each entity which is a party to the consolidation. Molina collects from, or refunds to, the subsidiaries the amount of taxes or benefits determined as if each entity filed separate tax returns. Under the tax-sharing agreement, the health plans have an enforceable right to recoup federal income taxes paid in prior years in the event of future net losses or to recoup net losses carried forward as an offset to future net income subject to federal income taxes.

FIDELITY AND OTHER INSURANCE

The Company maintained a comprehensive insurance program. This program included commercial general liability, directors' and officers' liability, property, employment practices and wage & hour liability, and crime policies, as deemed appropriate by the Company's management. The Company maintained a fiduciary policy with a \$1,000,000 single loss limit of insurance and self-insured retention of \$50,000 for the operations of the Company.

EMPLOYEE BENEFIT PLANS

The employees of the Company are eligible to participate in a defined contribution 401(k) plan sponsored by Molina subject to the participation eligibility set forth in the plan. Eligible employees are allowed to contribute up the maximum allowed by law. The Company matches up to the first 4% of compensation contributed by the employees subject to a one-year cliff vesting requirement. The Company has no legal obligation to provide benefits under the plan. The Company's expense recognized in connection with the 401(k) plan was \$40,615 for the years ended December 31, 2018.

Under an equity incentive plan adopted by Molina, the Company's employees may be awarded restricted stock or other equity incentives. Restricted stock awards generally vest in equal annual installments over periods of up to four (4) years from the date they were granted.

Molina has a stock purchase plan under which the eligible employees of the Company may purchase common shares at 85% of the lower of the fair market value of Molina's common stock on either the first or last trading day of each six-month offering period. Each participant is limited to a maximum purchase of \$25,000 per year through payroll deductions.

TERRITORY AND PLAN OF OPERATION

As of December 31, 2018, the Company was authorized to do business as an HMO in the state of Mississippi.

GROWTH OF THE COMPANY

	2018	2017
Capital and Surplus	\$ 28,915,372	\$ 5,001,013
Ratio of premiums to capital and surplus	0.78 to 1	0.0 to 1
Ratio of assets to liabilities	3.40 to 1	9,160 to 1
Ratio of premiums to expenses	0.85 to 1	0.0 to 1
Cash flows from operations	\$ 4,790,114	\$ (2,015,940)
Net income (loss)	\$ (3,018,068)	\$ 1,013

ACCOUNTS AND RECORDS

The Company is audited by Grant Thornton. Audit workpapers were evaluated by the lead state.

The Company is licensed as a health maintenance organization pursuant to Miss. Code Ann. §83-41-325, which requires the Company to maintain capital and surplus equal to \$1,000,000 or 2% of annual premium on the first \$1.5 million of premium and 1% of annual premium on the premiums in excess of \$1.5 million or an amount equal to the sum of three (3) months uncovered health care expenditures. At December 31, 2018, the Company was in compliance with the statutory minimum net worth requirement.

Pursuant to Miss. Code Ann. §83-5-55, the Company is required to file an NAIC Health Maintenance Organization Annual Statement. The Company is also required to file risk-based capital (RBC) reports for each of its NAIC annual statement filings pursuant to Miss. Code Ann. §83-5-401 through § 83-5-427.

STATUTORY DEPOSITS

The Company's statutory deposits with the State of Mississippi complied with Miss. Code Ann. §83-41-325(5). The following chart displays the Company's deposits at December 31, 2018:

Description	Fair Value
Bonds	\$ 502,870

FINANCIAL STATEMENTS

Introduction

The following financial statements consist of a Statement of Assets, Liabilities, Capital and Surplus as of December 31, 2018, a Statement of Revenues and Expenses for year ended December 31, 2018, a Reconciliation of Capital and Surplus for the examination period ended December 31, 2018 and a Reconciliation of Examination Adjustments to Surplus at December 31, 2018.

Statement of Assets, Liabilities, Capital and Surplus
December 31, 2018

Bonds	\$ 507,490
Cash and cash equivalents	36,167,755
Investment income due and accrued	10,237
Uncollected premiums	4,234,396
Total admitted assets	\$ 40,919,877
Claims unpaid	\$ 10,022,789
Unpaid claims adjustment expenses	171,309
General expenses due or accrued	1,571,611
Current federal and foreign income tax payable	101,639
Amounts due to parent, subsidiaries, and affiliates	29,073
Aggregate write-ins for other liabilities	108,084
Total liabilities	12,004,505
Gross paid in and contributed surplus	33,000,000
Unassigned funds (surplus)	(4,084,628)
Total capital and surplus	\$ 28,915,372
Total liabilities, capital and surplus	\$ 40,919,877

Statement of Revenue and Expenses
For the period ended December 31, 2018

Member months	51,701
Net Premium Income	<u>\$ 22,819,906</u>
<u>Hospital and Medical:</u>	
Hospital/medical benefits	12,376,947
Other professional services	1,694,996
Outside referrals	871,054
Emergency room and out-of-area	2,084,451
Prescription drugs	<u>2,262,941</u>
	<u>19,290,389</u>
<u>Less:</u>	
Total hospital and medical	19,290,389
Claims adjustment expenses, including \$828,472 cost containment expenses	1,039,854
General administrative expenses	6,209,928
Total underwriting deductions	<u>26,540,171</u>
Net underwriting gain or (loss)	<u>(3,720,265)</u>
Net investment income earned	<u>17,290</u>
Net loss before federal income taxes	<u>(3,702,975)</u>
Federal and foreign income taxes incurred	<u>(684,907)</u>
Net loss	<u>\$ (3,018,068)</u>

Statement of Revenue and Expenses (continued)
For the period ended December 31, 2018

Capital and surplus at Beginning of Year	\$ 5,001,013
Net loss	<u>(3,018,068)</u>
Change in non-admitted assets	(1,067,573)
Surplus adjustments	
Paid in	28,000,000
Net change in capital and surplus	<u>23,914,359</u>
Capital and Surplus at End of Year	<u>\$ 28,915,372</u>

**RECONCILIATION OF EXAMINATION ADJUSTMENTS TO SURPLUS
DECEMBER 31, 2018**

There were no changes made to the admitted assets, liabilities or surplus balances reported by the Company for the year ended December 31, 2018. The capital and surplus, which totaled \$28,915,372 as of the examination date, was determined to be reasonably stated and in compliance with Miss. Code Ann. §83-41-325(2).

COMMENTS AND RECOMMENDATIONS

There were no comments or recommendations to the report of examination of the Company.

COMMITMENTS AND CONTINGENT LIABILITIES

From time to time, the Company may be involved in legal actions in the normal course of business, some of which involve a demand for both compensatory and punitive damages not covered by insurance. As of the date of the examination, there were no pending or threatened actions which, to the knowledge and in the opinion of management and the Company's counsel, would have a material adverse effect on the Company's financial position, results of operations or cash flow.

SUBSEQUENT EVENTS

The Company executed an HMO Excess Risk Reinsurance Agreement with Odyssey Reinsurance Company with Guy Carpenter acting as the reinsurance intermediary, effective January 1, 2019 through December 31, 2019. Pursuant to the reinsurance agreement, the Company retains \$1,300,000 per Temporary Assistance for Needy Families ("TANF") member or Supplemental Security Income ("SSI") member per agreement period with reinsurance limits of \$2,000,000 per member per agreement period with a coinsurance of 90% to the reinsurer and 10% to the Company.

The Company received contributions in the amount of \$27 million from Molina during 2019 principally to provide funding to meet mandated net worth requirements.

During August and September 2019, the Company issued surplus notes in the amount of \$13 million with an interest rate of 5% to Molina in exchange for cash. The payment of interest and principal of the surplus notes is subordinated to (1) any and all claims of the Company's policyholders, (2) any and all of the Company's claimant and beneficiary claims and (3) all other classes of the Company's creditors. Each payment of interest on and principal of the surplus notes may only be made with the prior approval of the MID. On March 31, 2020, the Company issued an additional \$10 million surplus note to Molina with identical repayment terms.

The Company began administering the state's Children's Health Insurance Program ("CHIP") on November 1, 2019. Effective January 1, 2020, the Mississippi Company was authorized to begin issuing policies on the Federally Facilitated Health Insurance Marketplace ("Exchange") serving 19 counties.

Matthew Douglas Wolf replaced John James McGuinness as a member of the Board of Directors effective October 29, 2019. Additionally, James Thomas Beiermann resigned as Chief Financial Officer and was replaced by Matthew Carter Schueren as interim Chief Financial Officer effective December 13, 2019.

On March 11, 2020, the World Health Organization declared the spreading coronavirus ("COVID-19") outbreak a pandemic. On March 13, 2020, U.S. President Donald J. Trump declared the coronavirus pandemic a national emergency in the United States. The epidemiological threat posed by COVID-19 is having disruptive effects on the economy, including disruption of the global supply of goods, reduction in

the demand for labor, and reduction in the demand for U.S. products and services, resulting in a sharp increase in unemployment. The economic disruptions caused by COVID-19 and the increase uncertainty about the magnitude of the economic slowdown has also cause extreme volatility in the financial markets.

The full effect of COVID-19 on the U.S. and global insurance and reinsurance industry is still unknown at the time of releasing this report. The MID is expecting the COVID-19 outbreak to impact a wide range of insurance products resulting in coverage disputes, reduced liquidity of insurers, and other areas of operations of insurers. The MID and all insurance regulators, with the assistance of the NAIC, are monitoring the situation through a coordinated effort and will continue to assess the impacts of the pandemic on U.S. insurers. The MID has been in communication with the Company regarding the impact of COVID-19 on its business operations and financial position including its Business Continuity Plan and Enterprise Risk Management framework.

Market Conduct

As part of the subsequent events review, specific areas of market conduct activities were reviewed in relation to the Company's issuance of policies on the Exchange. A full market conduct examination was not performed. The specific areas reviewed included those items as indicated below.

Privacy

Privacy notices were sent to the Company's policyholders.

Complaint Handling

The Company has implemented policies to maintain complaint documentation.

Producer Appointment & Licensing

The Company appears to have the appropriate licensure to issue its products and agents appear to be properly licensed and appointed.

Claims

The Company has implemented policies and procedures to identify general indicators of policyholder treatment concerns.

Grievances

The Company has implemented procedures to maintain grievance documentation.

Provider Credentialing

The Company appears to have appropriate policies and procedures for credentialing and re-credentialing all health care professionals with whom the Company contracts.

Network Adequacy

The Company appears to have appropriate controls to adequately monitor the effectiveness of its provider network.

Coronavirus Pandemic (COVID-19)

The Company appears to have implemented appropriate polices in compliance with established guidelines.

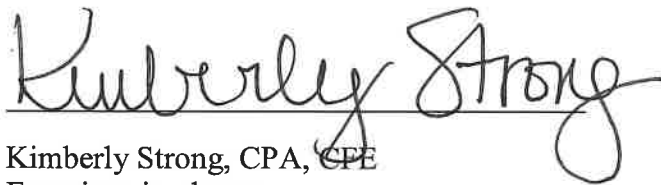
ACKNOWLEDGMENT

The examiners representing the Mississippi Insurance Department and participating in this examination were:

Jimmy Blissett, CFE	Administrative Examiner
Kimberly Strong, CPA, CFE	Examiner-in-charge, Harper, Rains, Knight & Co.
Stephen Solomon	Financial Examiner, Harper, Rains, Knight & Co.
Russ Thompson	Financial Examiner, Harper, Rains, Knight & Co.

The courteous cooperation of the officers and employees responsible for assisting in the examination is hereby acknowledged and appreciated.

Respectfully submitted,



Kimberly Strong, CPA, CFE
Examiner-in-charge



Mark Cooley, CFE
Mississippi Insurance Department Designee