MIKE KREIDLER
STATE INSURANCE COMMISSIONER

STATE OF WASHINGTON

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OFFICE OF
INSURANCE COMMISSIONER

In the Matter of	)	No. G06-44
	)	
The Market Conduct Examination of	)	FINDINGS, CONCLUSIONS,
	)	AND ORDER ADOPTING REPORT
Dental Health Services, Inc.	)	OF
	)	MARKET CONDUCT EXAMINATION
	)	
Authorized Domestic Health Care	)	
Service Contractor	)	

BACKGROUND

An examination of the market conduct of **Dental Health Services, Inc.** (the Company) as of June 30, 2005 was conducted by examiners of the Washington Office of the Insurance Commissioner (OIC). The Company, domiciled in the state of Washington, holds a Washington certificate of registration as a health care service contractor. This examination was conducted in compliance with the laws and regulations of the state of Washington and in accordance with the procedures promulgated by the National Association of Insurance Commissioners and the OIC.

The examination report with the findings, instructions, and comments and recommendations was transmitted to the Company for its comments on March 30, 2006. The Company's response dated April 20, 2006 is attached to this order only to provide convenient review.

The Commissioner or a designee has considered the report, the relevant portions of the examiners' work papers, and submissions by the Company.

Subject to the right of the Company to demand a hearing pursuant to Chapters 48.04 and 34.05 RCW, the Commissioner adopts the following findings, conclusions, and order.

FINDINGS

Findings in Examination Report. The Commissioner adopts as findings the findings of the examiners as contained in pages 3 through 18 of the report.

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CONCLUSIONS

It is appropriate and in accordance with law to adopt the attached examination report as the final report of the market conduct examination of **Dental Health Services, Inc.** and to order the Company to take the actions described in the Instructions and Recommendations sections of the report. The Commissioner acknowledges that the Company may have implemented the Instructions and Recommendations prior to the date of this order. The Instructions and Recommendations in the report are an appropriate response to the matters found in the examination.

ORDER

The market conduct examination report as filed, attached hereto as Exhibit A, and incorporated by reference, is hereby ADOPTED as the final examination report.

The Company is ordered as follows, these being the Instructions and Recommendations contained in the examination report on page 15.

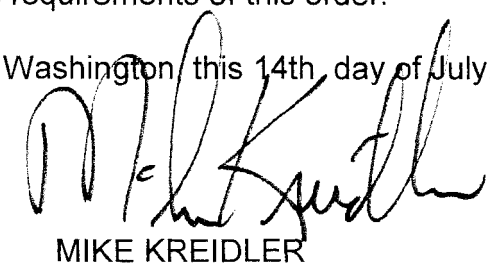
1. The Company is ordered to cease referring to itself as a health maintenance organization (HMO). Reference: RCW 48.46.027(1). (Claims Procedures.)

2. The Company is ordered to review any adverse determinations within 14 days of receipt of an appeal. Reference: WAC 284-43-620(1). (Complaint Handling)

3. The Company is ordered to consider changing its interest payment structure on claims that are not paid within the time limits set forth in regulation WAC 284-43-321(2)(ii)(d). Interest shall be paid on undenied and unpaid clean claims that are more than 61 days old. Reference: WAC 284-43-321(2). (Claims Procedures and Claims Standard #4.)

IT IS FURTHER ORDERED THAT, the Company file with the Chief Market Conduct Examiner, within 90 days of the date of this order, a detailed report specifying how the Company has addressed each of the requirements of this order.

ENTERED at Olympia, Washington this 14th day of July, 2006.



MIKE KREIDLER
Insurance Commissioner