

STATE OF WASHINGTON

MIKE KREIDLER
STATE INSURANCE COMMISSIONER

Phone: (360) 725-7000
www.insurance.wa.gov



OFFICE OF
INSURANCE COMMISSIONER

In the Matter of)	No. 09-141
)	
The Financial Examination of)	FINDINGS, CONCLUSIONS,
PEACEHEALTH)	AND ORDER ADOPTING REPORT
)	OF EXAMINATION
)	

A Domestic Charitable Gift Annuity Issuer.

BACKGROUND

An examination of the financial condition of **PEACEHEALTH (PH)** as of June 30, 2007, was conducted by examiners of the Washington State Office of the Insurance Commissioner (OIC). PH holds a Washington certificate of exemption to issue charitable gift annuities. 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 recommendations was transmitted to PH for its comments on October 28, 2009. PH's response to the report is attached to this order only for the purpose of a more convenient review of the response.

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

Subject to the right of PH 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 1 through 7 of the report.

PEACEHEALTH
Order Adopting Examination Report
November 19, 2009



CONCLUSIONS

It is appropriate and in accordance with law to adopt the attached examination report as the final report of the financial examination of **PEACEHEALTH** and to order PH to take the actions described in the Instructions section of the report. The Commissioner acknowledges that PH may have implemented some of the Instructions prior to the date of this order. The Instructions in the report are appropriate responses to the matters found in the examination.

ORDER

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

PH is ordered as follows, these being the Instructions contained in the examination report on pages 1 - 2.

1. PH is ordered to comply with reporting requirements in accordance with RCW 48.38.010(10)(a) and the OIC Annual Report Instructions. Instruction 1, Examination Report, page 1.
2. PH is ordered to report the statutory reserve calculated by the actuary pursuant to RCW 48.38.010(10)(c), plus an additional 10% as required by RCW 48.38.020(1) and (3)(c). No examination adjustment was made for June 30, 2007 reserves due to immateriality in relation to net assets and unrestricted assets available to back up the reserves. Instruction 2, Examination Report, page 2.

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

ENTERED at Olympia, Washington, this 19th day of November, 2009.



MIKE KREIDLER
Insurance Commissioner