



OFFICE OF  
INSURANCE COMMISSIONER

In the Matter of	)	No. 13-241
	)	
The Financial Examination of	)	FINDINGS, CONCLUSIONS,
<b>MULTICARE HEALTH SYSTEM</b>	)	AND ORDER ADOPTING REPORT
	)	OF EXAMINATION

A Domestic Charitable Gift Annuity Issuer.

**BACKGROUND**

An examination of the financial condition of **MULTICARE HEALTH SYSTEM** (MultiCare) as of December 31, 2011 was conducted by examiners of the Washington State Office of the Insurance Commissioner (OIC). MultiCare 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 MultiCare for its comments on July 17, 2013. MultiCare'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 MultiCare.

Subject to the right of MultiCare 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 8 of the report.

MULTICARE HEALTH SYSTEM  
Order Adopting Financial Examination Report  
August 30, 2013



## CONCLUSIONS

It is appropriate and in accordance with law to adopt the attached examination report as the final report of the financial examination of **MULTICARE** and to order MultiCare to take the actions described in the Instructions section of the report. The Commissioner acknowledges that MultiCare 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.

MultiCare is ordered as follows, these being the Instructions contained in the examination report on page 1.

1. MultiCare is ordered to comply with RCW 48.38.010(10)(a) and file with the insurance commissioner annually a report of its current financial condition, on a form and in a manner prescribed by the commissioner. Instruction 1, Examination Report, page 1.
2. MultiCare is ordered to comply with RCW 48.38.030(5) and include the reasonable value as of the date of the agreement of the benefits created in all contract forms. Instruction 2, Examination Report, page 1.

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

ENTERED at Olympia, Washington, this 30th day of August, 2013.



MIKE KREIDLER  
Insurance Commissioner



Allenmore Hospital  
Good Samaritan Hospital  
Mary Bridge Children's Hospital & Health Center  
Tacoma General Hospital  
MultiCare Clinics

August 16, 2013

RECEIVED

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James T. Odiorne, CPA, JD  
Chief Deputy Insurance Commissioner  
Office of the Insurance Commissioner  
P.O. Box 40255  
Olympia, WA 98504-0255

RE: Financial Examination Report of MultiCare Health System – CGA as of December 31, 2011

Dr. Mr. Odiorne:

Thank you for the draft of the referenced report of examination. We have had a chance to review the factual material as presented in the report. We find no exception to the presented materials.

We recognize the report will be certified and become a public document, and are comfortable with the facts as they are presented.

Thank you again for the opportunity to review these documents before becoming a publicly accessible document.

Sincerely,

Steve Ebreo,  
Manager, General Ledger Accounting