

STATE OF ALASKA  
DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT  
DIVISION OF INSURANCE  
P.O. BOX 110805  
JUNEAU, ALASKA 99811-0805  
PHONE: (907) 465-2515 • FAX: (907) 465-3422  
IF YOU NEED HEARING ASSISTANCE, PLEASE CALL ALASKA RELAY AT 711

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STATE OF ALASKA  
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT  
DIVISION OF INSURANCE

In re: )  
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APPLICATION FOR A THIRD PARTY )  
ADMINISTRATOR REGISTRATION FOR )  
PROGYNY INC. )  
)  
)  
)

Case No. LD 20-02

**STIPULATED AGREEMENT AND ORDER**

The Division of Insurance (division) and Progyny Inc. stipulate and agree to the following:

**I. BACKGROUND**

A. On July 16, 2019, the division received Progyny Inc.'s application for a firm and individual Third Party Administrator registration with a health line of authority.

B. On August 26, 2019, the division contacted the firm to request additional information related to the firm's financial position.

C. On August 29, 2019, the firm provided the requested information.

D. The audited financial statements provided by the independent auditors for the years ending 2018 and 2017 were reviewed for solvency and to determine if Progyny, Inc.'s TPA's system of accounting, internal control, and procedure is operating effectively to provide

1 reasonable assurance that money is promptly accounted for and paid to the person entitled to the  
2 money.

3 E. Based on a full review of the submitted documents, the division concluded that  
4 Progyny, Inc. has material weaknesses in their financial position that indicate potential solvency  
5 issues.

6 F. AS 21.27.640(a) sets out the general qualifications for registration, "The director may  
7 not issue or renew a registration except in compliance with this chapter and may not issue a  
8 registration to a person, or to be exercised by a person, found by the director to be untrustworthy,  
9 incompetent, financially irresponsible, or who has not established to the satisfaction of the  
10 director that the person is qualified under this chapter."

11 G. Pursuant to AS 21.27.640(a), the division has determined that the firm's financial  
12 position is such that the director could deny issuance of a registration.

13 H. The division, having fully reviewed the application of Progyny, Inc., has determined  
14 that issuance of a conditional registration is appropriate.

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16  
17 II. TERMS OF AGREEMENT

- 18
- 19 1. Progyny Inc. agrees to the issuance of a conditional registration until the division is  
20 confident that the firm is better positioned financially to meet its obligations to any  
21 Alaskan insured for whom it may contract to provide services.
  - 22 2. In an effort to establish that Progyny Inc. is solvent, that the firm's system of accounting,  
23 internal control, and procedure is operating effectively in order to provide reasonable  
24 assurance that money is promptly accounted for and paid to the person entitled to the  
25 money, Progyny Inc. must provide to the division, by June 30 of each year, audited  
26

1 financial statements for the preceding year prepared by an independent certified public  
2 accountant, and any other information that the director may require to review the current  
3 financial condition of the firm.

- 4 3. The conditional registration is predicated on Progyny Inc. not violating any laws. If  
5 Progyny Inc. violates any Alaska laws or regulations the firm must notify the division  
6 within 10 days of being charged with or receiving notice of a violation.
- 7 4. If Progyny Inc. violates the Alaska insurance code or applicable regulations, while  
8 subject to a conditional registration, the division will take administrative action to  
9 suspend or revoke the registration issued to the firm. Progyny Inc. will also be subject to  
10 any and all sanctions authorized by law, including imposition of additional penalties  
11 regarding any such violation.

12 DATED: 1/22/2020

13 PROGYNY INC.

14 By: 

15 Jennifer Bealer  
16 Compliance Officer

17 DATED: 1/27/2020

18 DIVISION OF INSURANCE

19 By: 

20 Chris Murray  
21 Program Coordinator

22 DATED: 2/03/2020

23 KEVIN G. CLARKSON  
24 ATTORNEY GENERAL

25 By: 

26 Erin Egan  
Assistant Attorney General

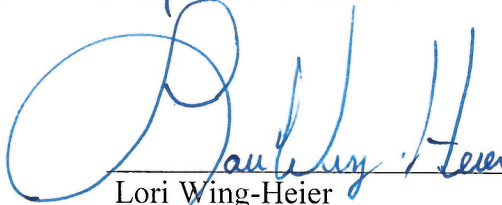
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**ORDER**

**IT IS ORDERED** that this Stipulated Agreement and Order is adopted in full resolution of the issues in the case and shall constitute the final order in this matter.

DATED this 7<sup>th</sup> day of February, 2020.

  
\_\_\_\_\_  
Lori Wing-Heier  
Director of Insurance