

Report
of the
Examination of
Superior Vision Insurance Plan of Wisconsin, Inc.
West Allis, Wisconsin
As of December 31, 2014

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State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Scott Walker, Governor
Theodore K. Nickel, Commissioner

Wisconsin.gov

May 2, 2016

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Honorable Theodore K. Nickel
Commissioner of Insurance
State of Wisconsin
125 South Webster Street
Madison, Wisconsin 53703

Commissioner:

In accordance with your instructions, a compliance examination has been made of the affairs and financial condition of:

SUPERIOR VISION INSURANCE PLAN OF WISCONSIN, INC.
West Allis, Wisconsin

and this report is respectfully submitted.

I. INTRODUCTION

The previous examination of Superior Vision Insurance Plan of Wisconsin, Inc. (SVIPW or the company) was conducted in 2011 as of December 31, 2010. The current examination covered the intervening period ending December 31, 2014, and included a review of such 2015 transactions as deemed necessary to complete the examination.

The examination of the company was conducted concurrently with the examination of the following affiliates of the company in the Superior Vision Group: Superior Vision Insurance Inc. and Block Vision of Texas, Inc. d/b/a Superior Vision of Texas. The Arizona Department of Insurance acted in the capacity as the lead state for the coordinated examinations. Work performed by the Arizona Department of Insurance and Texas Department of Insurance was reviewed and relied on where deemed appropriate.

The examination was conducted using a risk-focused approach in accordance with the National Association of Insurance Commissioners (NAIC) Financial Condition Examiners Handbook. This approach sets forth guidance for planning and performing the examination of an

insurance company to evaluate the financial condition, assess corporate governance, identify current and perspective risks (including those that might materially affect financial condition, either currently or prospectively), and evaluate system controls and procedures used to mitigate those risks.

The examination consisted of a review of all major phases of the company's operations and included the following areas:

- History
- Management and Control
- Corporate Records
- Conflict of Interest
- Fidelity Bonds and Other Insurance
- Provider Contracts
- Territory and Plan of Operations
- Affiliated Companies
- Growth of the Company
- Reinsurance
- Financial Statements
- Accounts and Records
- Information Technology
- Enrollee Complaint Procedure
- Underwriting

Emphasis was placed on the audit of those areas of the company's operations accorded a high priority by the examiner-in-charge when planning the examination. Special attention was given to the action taken by the company to satisfy the recommendations and comments made in the previous examination report.

The company is annually audited by an independent public accounting firm as prescribed by s. Ins 50.05, Wis. Adm. Code. An integral part of this compliance examination was the review of the independent accountant's work papers. Based on the results of the review of these work papers, alternative or additional examination steps deemed necessary for the completion of this examination were performed. The examination work papers contain documentation with respect to the alternative or additional examination steps performed during the course of the examination.

II. HISTORY AND PLAN OF OPERATION

Superior Vision Insurance Plan of Wisconsin, Inc., is described as a for-profit network model limited service health organization (LSHO) insurer. An LSHO insurer is defined by s. 609.01 (3), Wis. Stat., as ". . . a health care plan offered by an organization established under ch. 185, 611, 613, or 614 or issued a certificate of authority under ch. 618 that makes available to its enrolled participants, in consideration for predetermined fixed payments, a limited range of health care services performed by providers selected by the organization." Under the network model, the company provides care through contracts with clinics and otherwise independent physicians operating out of their separate offices. LSHOs compete with traditional fee-for-service health care delivery.

The company was incorporated July 2, 1992, under the name Vision Insurance Plan of America, Inc., and commenced business December 15, 1992. The name was changed to the one currently used effective November 1, 2014. The company is owned directly by Block Vision Holdings Corporation and indirectly by Superior Vision Corporation. The holding company for the group is Superior Vision Holding Company, LLC, with the ultimate parent being Nautic Management, LLC. On March 31, 2016, Superior Vision Corporation was acquired by Wink Holdco, Inc., with the ultimate parent being CCP III Cayman GP Ltd.

According to its business plan, the company's service area is within the geographical boundaries of the state of Wisconsin.

The company offers a limited range of vision care coverage which may be changed by riders to include deductibles and copayments. The company's products provide wellness vision examinations and eyewear (eyeglass frame and lenses and contact lenses).

The company currently markets to groups only. The company uses outside agencies and pays a 10% commission on new and renewal business.

SVIPW offers ancillary "wellness" vision benefits to employer groups. These benefits consist of an eye examination and eyewear, which includes eyeglasses (frame and lenses) or contact lenses. SVIPW arranges for the provision of covered vision care services through its network of participating eye care providers. SVIPW's network includes independent optometrists

and ophthalmologists, as well as eye care providers affiliated with retail chains. A list of participating providers is included in Exhibit A.

SVIPW offers eligible employees and dependents of subscriber groups the following basic covered vision care services delivered by SVIPW providers with a benefit frequency of 12 months or 24 months, depending on the plan(s) that the group selects:

- Vision examination
- Frame and contact lens allowance
- Lenses (including single vision, bifocal, and trifocal)

Members receive a packet, which includes a plan brochure, provider directory, identification card, and grievance procedure and privacy notice. Members select a SVIPW participating provider from the directory, call the provider to make an appointment, and inform the provider's office of the information on the identification card. In advance of rendering services, the provider verifies the member's eligibility and benefits coverage with SVIPW through SVIPW's Web site or SVIPW's customer service department. The Web site is available 24 hours a day/7 days a week.

When members choose to receive services from a SVIPW participating provider, the provider submits the claim to SVIPW for reimbursement of covered services and SVIPW sends the payment directly to the provider. Members have no out-of-pocket expenses for covered services other than any applicable deductibles which are collected by the provider at the time of service.

When members choose to receive covered services from a nonparticipating provider, they pay the provider for such services and are reimbursed directly from SVIPW according to their out-of-network schedule.

The company currently employs three internal agents (one as a sales representative and two as account managers). In addition, SVIPW uses outside agents, brokers, and benefit consultants to leverage its sales efforts. SVIPW accepts business only from an intermediary that is actively licensed with OCI.

Premium rates for new groups are based upon the historical utilization of various benefit levels in conjunction with the benefit frequency. These factors are then applied to the

average costs of the benefits to determine the appropriate rate. Renewal rates are based upon the utilization experience of the individual group.

III. MANAGEMENT AND CONTROL

Board of Directors

The board of directors consists of five members. Three directors are elected annually to serve a one-year term. Officers for the board are elected at the board's annual meeting. The board members currently receive no additional compensation for serving on the board.

The board of directors consisted of the following persons as of December 31, 2014:

Name and Residence	Principal Occupation	Term Expires
Scott Fitzgerald Hilinski Wellesley, Massachusetts	Managing Director Nautic Management, LLC	2015
Christopher Francis Corey Barrington, Rhode Island	Principal/Vice President Nautic Management, LLC	2015
Christopher James Crosby Barrington, Rhode Island	Principal/Managing Director Nautic Management, LLC	2015
Kirk Rothrock Villanova, Pennsylvania	CEO	2015
Andrew Alcorn Chatham, New Jersey	President	2015

Officers of the company

The officers serving as of December 31, 2014, were as follows

Name	Office	2014 Compensation*
Kirk Rothrock	Chief Executive Officer	\$ 62,281
Andrew Alcorn	President	53,135
Brian Silverberg	Chief Financial Officer and Treasurer	59,870
Audrey Weinstein	Senior Vice President and Secretary	40,010
Stephanie Lucas	Senior Vice President	54,650
Kimberley Hess	Senior Vice President	25,503
Kenneth Arndt	Vice President	27,223
Jennifer Taylor	Vice President of Operations	67,945
Mark Wallner	Vice President of Sales	207,869

* Note: This is the compensation that the officers received in 2014 from SVIPW and does not include the salaries certain officers may have received from the parent and affiliates.

Committees of the Board

The company's bylaws allow for the formation of certain committees by the board of directors. The committees at the time of the examination are listed below:

Audit Committee

Chris Corey, Chair
Scott Hilinski
Chris Crosby

Compliance Committee

Chris Crosby, Chair
Scott Hilinski,
Chris Corey

Compensation Committee*

Scott Hilinski, Chair
Chris Corey
Stanley Shapiro

* The company designated the Compensation Committee of its parent Superior Vision Corporation (SVC) as its Compensation Committee. Stanley Shapiro was a director for SVC and is not a director for the company.

The company has no non-sales related employees on its direct payroll. Necessary administrative staff is provided through cost-sharing agreements with Superior Vision Benefit Management, Inc. (SVBM) and Superior Vision Services, Inc. (SVS). Under the amended agreement, effective October 1, 2014, SVBM provides support services related to accounting/finance, accounts payable, human resources, payroll administration, information systems, regulatory and compliance, corporate development, and executive oversight. SVBM receives, on an annual basis, an amount equal to the Allocation Percentage attributable to SVBM personnel performing support services for SVIPW as compensation for the support services rendered. The term of the agreement is indefinite until terminated. The company may terminate the agreement upon 30 days' written notice if a default continues 30 days after notice of such default.

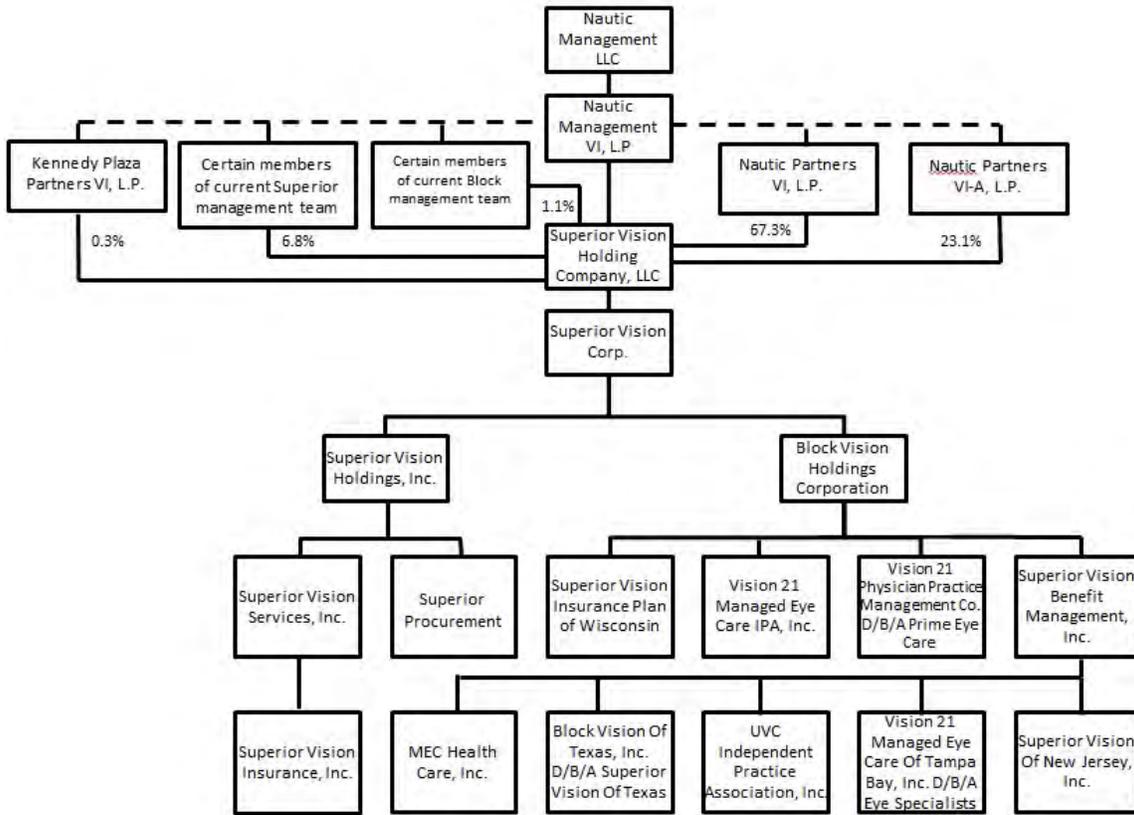
Under an agreement effective December 1, 2014, SVIPW agrees to compensate SVS for the salary and related expenses incurred with respect to dual employees (personnel shared between SVIPW and SVS) who perform services for SVIPW at SVIPW's branch office, located at SVS' office, and for related overhead expenses attributable to the branch office. The functions to be performed by the dual employees include, without limitation, billing, eligibility and enrollment, customer service and claims processing activities related to SVIPW's commercial group vision business. SVS receives a monthly administrative fee for expenses related to the

dual employees and the branch office based upon the commercial group vision plans written or reinsured by SVIPW (as determined by membership in the commercial group vision plans on September 30th of the preceding year). The administrative fee shall be paid by SVIPW to SVS on or about the 15th of each month. As soon as practicable after the closing of the books for the applicable fiscal year, SVIPW and SVS shall determine the actual shared expenses and the allocation of same for the fiscal year. The true-up allocation shall be based upon an amount equal to the percentage of the SVIPW members in proportion to the total number of all members for whom vision benefits are administered by SVS and its affiliates at the branch office. The term of the agreement is indefinite until terminated. The company may terminate the agreement upon 30 days' written notice if default continues 30 days after notice of such default.

IV. AFFILIATED COMPANIES

The company is a member of a holding company system. Its ultimate parent is Nautic Management, LLC. The organizational chart below depicts the relationships among the affiliates in the group. A brief description of the significant affiliates of the company follows the organizational chart.

**Holding Company Chart
As of December 31, 2014**



Superior Vision Services, Inc.

Superior Vision Services, Inc., shares dual employees with SVIPW at the branch office. As of December 31, 2014, this company's audited financial statement reported (in thousands) assets of \$41,796, liabilities of \$2,628, and stockholders' equity of \$39,168. Operations for 2014 produced net income of \$12,887 on revenues of \$31,732.

Superior Vision Benefit Management

Superior Vision Benefit Management provides administrative support services to SVIPW. As of December 31, 2014, this company's unaudited financial statement reported (in thousands) assets of \$32,193, liabilities of \$7,883, and capital and surplus stockholders' equity of \$24,310. Operations for 2014 produced net income of \$5,703 on revenues of \$64,778.

Tax-Sharing Agreement

SVIPW entered into a Tax-Sharing Agreement on March 20, 2015, to be effective as of January 1, 2014, with its common parent, Superior Vision Corp. (SVC) and other direct or indirect wholly owned subsidiaries in the group. Effective March 31, 2016, this agreement was amended to include Wink Holdco, Inc., and Wink Parent, Inc., as parties.

V. REINSURANCE

The company assumes reinsurance under the contract outlined below. The reinsurance agreement qualifies as a fronting arrangement. Fronting is where one insurance company issues policies to specified applicants and reinsures all or substantially all of the risks on the insurance to another insurance entity for a fee or portion of the profits. Fronting typically is used in jurisdictions where the assuming company is not licensed to do business.

Ceding company:	National Guardian Life Insurance Company (NGLIC) and its designated insurance company subsidiaries
Scope/type of service:	Proportional—SVIPW reinsures 100% of the vision insurance policies subject to this agreement issued under the marketer's brand name, including marketer certificates issued thereunder and all applicable riders and benefits
Plan/coverage:	Nonparticipating group vision insurance policies, riders and binders of NGLIC under the Block Vision brand name (as of December 31, 2014)
Insolvency clause:	Reinsurer will pay claims without diminution in the event of the reinsured's insolvency
Premium assumed:	\$5,974,452
Commissions or fees paid:	10%
Effective date:	July 1, 2009, as thereafter amended
Termination:	December 31, 2019. Parties may elect to terminate for new policies upon a material default by the other party, the bankruptcy or insolvency of either party, or if there is a regulatory problem. The contract is automatically terminated on the effective termination date of the marketing and administrative agreements that the parties are also involved in.

VI. FINANCIAL DATA

The following financial statements reflect the financial condition of the company as reported to the Commissioner of Insurance in the December 31, 2014, annual statement.

Adjustments made as a result of the examination are noted at the end of this section in the area captioned "Reconciliation of Capital and Surplus per Examination." Also included in this section are schedules which reflect the growth of the company for the period under examination.

Superior Vision Insurance Plan of Wisconsin, Inc.
Assets
As of December 31, 2014

	Assets	Nonadmitted Assets	Net Admitted Assets
Cash, cash equivalents and short-term investments	\$3,005,841	\$	\$3,005,841
Uncollected premiums and agents' balances in the course of collection	539,187		539,187
Amounts receivable relating to uninsured plans	243,369		243,369
Receivables from parent, subsidiaries and affiliates	112,918	112,918	
Aggregate write-ins for other than invested assets	<u>26,371</u>	<u>26,371</u>	<u> </u>
Total assets	<u>\$3,927,686</u>	<u>\$139,289</u>	<u>\$3,788,397</u>

Superior Vision Insurance Plan of Wisconsin, Inc.
Liabilities and Net Worth
As of December 31, 2014

Claims unpaid		\$1,657,722
Premiums received in advance		19,954
General expenses due or accrued		852,759
Aggregate write-ins for other liabilities [including \$(0) current]		<u>40,286</u>
Total liabilities		2,570,721
Common capital stock	\$ 50	
Gross paid in and contributed surplus	424,950	
Unassigned funds (surplus)	795,177	
Less treasury stock, at cost		
Common shares	<u>2,500</u>	
Total capital and surplus		<u>1,217,677</u>
Total Liabilities, Capital and Surplus		<u>\$3,788,398</u>

**Superior Vision Insurance Plan of Wisconsin, Inc.
Statement of Revenue and Expenses
For the Year 2014**

Net premium income		\$18,159,565
Fee-for-service [net of \$(0) medical expenses]		<u>336,081</u>
Total revenues		18,495,646
Medical and hospital:		
Hospital/medical benefits	\$ 8,363,371	
Less		
Net reinsurance recoveries	<u>(5,257,931)</u>	
Total medical and hospital	13,621,302	
General administrative expenses	<u>5,206,887</u>	
Total underwriting deductions		<u>18,828,189</u>
Net underwriting gain or (loss)		(332,543)
Net investment income earned		<u>1,852</u>
Net Income (Loss)		<u>\$ (330,691)</u>

**Superior Vision Insurance Plan of Wisconsin, Inc.
Capital and Surplus Account
For the Five-Year Period Ending December 31, 2014**

	2014	2013	2012	2011	2010
Capital and surplus, beginning of year	\$1,139,801	\$ 613,034	\$ 660,617	\$ 607,370	\$ 685,941
Net income (loss)	(330,691)	547,780	1,097,496	1,103,383	711,172
Change in nonadmitted assets	108,566	(2,055)	(146,083)	44,601	310,257
Cumulative effect of changes in accounting principles		(21,958)	1,004	5,263	
Surplus adjustments:					
Paid in	300,000	100,000			
Dividends to stockholders	<u> </u>	<u>(97,000)</u>	<u>(1,000,000)</u>	<u>(1,100,000)</u>	<u>(1,100,000)</u>
Surplus, End of Year	<u>\$1,217,676</u>	<u>\$1,139,801</u>	<u>\$ 613,034</u>	<u>\$ 660,617</u>	<u>\$ 607,370</u>

**Superior Vision Insurance Plan of Wisconsin, Inc.
Statement of Cash Flows
As of December 31, 2014**

Premiums collected net of reinsurance		\$17,987,092
Net investment income		1,852
Miscellaneous income		<u>336,081</u>
Total		18,325,025
Less:		
Benefit- and loss-related payments	\$12,653,013	
Commissions, expenses paid and aggregate write-ins for deductions	<u>4,718,320</u>	
Federal and foreign income taxes paid (recovered)		<u>17,371,333</u>
Total		953,692
Net cash from operations		
Capital and paid in surplus, less treasury stock	300,000	
Other cash provided (applied)	<u>104,419</u>	
Net cash from financing and miscellaneous sources		<u>404,419</u>
Net change in cash, cash equivalents, and short-term investments		1,358,111
Cash, cash equivalents, and short-term investments:		
Beginning of year		<u>1,647,729</u>
End of Year		<u>\$ 3,005,840</u>

Growth of the Company

The following schedules reflect the growth of the company during the examination

period:

Year	Assets	Liabilities	Capital and Surplus	Premium Earned	Medical Expenses Incurred	Net Income
2014	\$3,788,397	\$2,570,721	\$1,217,677	\$18,159,565	\$13,621,302	\$ (330,691)
2013	2,228,825	1,089,025	1,139,803	15,420,130	11,517,535	547,780
2012	1,546,347	933,314	613,034	12,197,076	7,905,491	1,097,496
2011	1,949,997	1,289,380	660,617	10,667,858	6,526,821	1,103,383
2010	1,730,140	1,122,770	607,369	8,830,198	5,477,010	711,172
2009	1,351,289	665,349	685,940	9,174,577	5,312,344	1,218,864

Year	Profit Margin	Medical Expense Ratio	Administrative Expense Ratio	Enrollment	Change in Enrollment
2014	-1.8%	75.0%	28.2%	168,337	18.8%
2013	3.5	74.7	22.3	141,734	8.0
2012	8.7	64.8	25.2	131,274	11.6
2011	10.0	61.2	25.0	117,634	10.0
2010	8.1	62.0	25.9	106,963	-4.8
2009	13.3	57.9	25.5	112,307	0.0

The company has sustained steady growth for the exam period. 2010. The company posted a net income for all years of the exam period except 2014. The net loss for 2014 is mainly due to expenses associated with the company closing its West Allis office. Another factor decreasing margins over the past three years is an upward trend in benefit expenses without a corresponding increase in premium. Enrollment has increased by 57% since the last exam.

Per Member per Month Information

	2014	2013	Percentage Change
Premium	<u>\$7.92</u>	<u>\$7.80</u>	1.5%
Expenses:			
Other professional services	4.15	3.97	4.5
General administrative expenses	<u>2.06</u>	<u>2.02</u>	2.0
Total Underwriting Deductions	<u>\$6.21</u>	<u>\$5.99</u>	

Financial Requirements

The financial requirements for an LSHO under s. Ins 9.04, Wis. Adm. Code, are as follows:

	Amount Required
1. Minimum capital or permanent surplus	Not less than \$75,000
2. Security deposit	Each LSHO is required to maintain a deposit of securities with the state treasurer or an acceptable letter of credit on file with the Commissioner's office. The amount of the deposit or letter of credit shall not be less than \$75,000. The letter of credit must be payable to the Commissioner whenever liquidation or rehabilitation proceedings are initiated against the company.
3. Compulsory surplus	Not less than the greater of: 3% of the premiums earned by the company in the previous 12 months or \$75,000 The Commissioner may accept the deposit or letter of credit under par. 2. to satisfy the compulsory surplus requirement if the company demonstrates to the satisfaction of the Commissioner that all risk for loss has been transferred to the providers.

4. Security surplus The company should maintain a security surplus to provide an ample margin of safety and clearly assure a sound operation. The security surplus should not be less than 110% of compulsory surplus.

The company's calculation as of December 31, 2014, as modified for examination adjustments is as follows:

Assets	\$ 3,788,398	
Irrevocable letter of credit	<u>75,000</u>	
Amount available to satisfy surplus requirements	3,863,398	
Less:		
Liabilities	2,570,721	
Examination adjustments	<u>0</u>	
Net amount available to satisfy surplus requirements		\$1,292,677
Net premium earned	18,159,565	
Compulsory factor	<u>3%</u>	
Compulsory surplus		<u>544,786</u>
Compulsory Excess/(Deficit)		<u>\$ 747,891</u>
Net amount available to satisfy surplus requirements		\$1,292,677
Compulsory surplus	544,786	
Security surplus factor	<u>140%</u>	
Security surplus		<u>762,700</u>
Security Excess/(Deficit)		<u>\$ 529,977</u>

An LSHO which provides hospital services must demonstrate that, in the event of insolvency, enrollees hospitalized on the date of insolvency will be covered until discharge. This does not apply to this LSHO.

Reconciliation of Capital and Surplus per Examination

No adjustments were made to capital and surplus as a result of the examination. The amount of surplus reported by the company as of December 31, 2014, is accepted.

VII. SUMMARY OF EXAMINATION RESULTS

Compliance with Prior Examination Report Recommendations

There were four specific comments and recommendations in the previous examination report. Comments and recommendations contained in the last examination report and actions taken by the company are as follows:

1. Holding Company Filings—It is recommended that the company seek approval from the Commissioner on any transactions involving change of ownership or control of domestic stock insurance corporation or its parent insurance holding corporation in accordance with s. 611.72 (2), Wis. Stat.

Action—Compliance.

2. Uncollected Premiums and Agent's Balances in Course of Collection—It is recommended that the company nonadmit receivables over 90 days' past due in accordance with SSAP No. 6, paragraph 9.

Action—Compliance.

3. Affiliated Transactions—It is recommended that the company properly disclose affiliated transactions pertaining to tax allocation with BVHC in Schedule Y of the annual statement in accordance with SSAP 25 and NAIC Annual Statement Instructions – Health.

Action—Compliance.

4. Health Care Receivables—It is recommended that the company nonadmit health care receivables pertaining to overpayment of old claims in accordance with SSAP 4 and SSAP 84.

Action—Compliance.

Summary of Current Examination Results

This section contains comments and elaboration on those areas where adverse findings were noted or where unusual situations existed. Comment on the remaining areas of the company's operations is contained in the examination work papers.

Business Continuity Plan

As a result of examination procedures, it was determined that the company does not currently have a well documented plan in place to support the continuity of business operations in the event of a significant event. IT disaster recovery plans are in place for the major IT operational functions, but this level of contingency planning is not well documented for significant non-IT functions.

The company should follow existing best practices to develop a formal understanding of business process recovery requirements and then use this information to develop a detailed business continuity plan to support the non-IT elements of the organization. This business continuity plan must be tightly coupled with existing IT disaster recovery plans and must include dependencies on IT recovery wherever applicable. Additionally, this plan must be tested on a periodic basis and updated as necessary, based on both the results of lessons learned during testing and to reflect changes in the group's business operations. It is recommended that SVIPW further develop a business continuity plan that includes updated disaster recovery planning, appropriate and regular testing of the disaster recovery plans, and document planning for all aspects of SVIPW's operations, not just information technology (IT).

Financial Reporting

The examination review of SVIPW's capital and surplus account for the exam period disclosed that the company recorded cumulative effect of changes in accounting principles for the 2011-2013 years, the largest being in 2013. Upon inquiry management stated that the amount recorded was to adjust for differences between the statutory annual statement and the statutory independent audit report. The most significant difference was a \$29,850 adjustment to the unpaid claims liability. This is not a change in accounting principle; rather it is a change in estimate. Statement of Statutory Accounting Principle (SSAP) No. 3 requires changes in

accounting estimate be included in the statement of income during the period it is discovered as opposed to being charged directly to capital and surplus. It is recommended that SVIPW include the change in accounting estimate in the statement of income in the period in which the change becomes known in accordance with paragraph 7 of SSAP No. 3.

VIII. CONCLUSION

Superior Vision Insurance Plan of Wisconsin, Inc., is described as a for-profit network model limited service health organization (LSHO) insurer. An LSHO insurer is defined by s. 609.01 (3), Wis. Stat., as ". . . a health care plan offered by an organization established under ch. 185, 611, 613, or 614 or issued a certificate of authority under ch. 618 that makes available to its enrolled participants, in consideration for predetermined fixed payments, a limited range of health care services performed by providers selected by the organization." Under the network model, the company provides vision care benefits through its contracts with independent eye care providers and retail optical providers operating out of their separate offices.

The company has sustained steady growth for the exam period. The company posted a net income for all years of the exam period except 2014. The net loss for 2014 is mainly due to expenses associated with the company closing its West Allis office. Another factor decreasing margins over the past three years is an upward trend in benefit expenses without corresponding increases in premium.

The current examination has resulted in two recommendations. The recommendations were pertaining to the company's business continuity and disaster recovery plans and financial reporting. There were no adjustments or reclassifications made.

The prior examination resulted in four recommendations, all of which were found to be in compliance as of the examination date.

IX. SUMMARY OF COMMENTS AND RECOMMENDATIONS

1. Page 19 - Business Continuity Plan—It is recommended that SVIPW further develop a business continuity plan that includes updated disaster recovery planning, appropriate and regular testing of the disaster recovery plans, and document planning for all aspects of SVIPW's operations, not just information technology (IT).
2. Page 20 - Financial Reporting—It is recommended that SVIPW include the change in accounting estimate in the statement of income in the period in which the change becomes known in accordance with paragraph 7 of SSAP No. 3.

X. ACKNOWLEDGMENT

The courtesy and cooperation extended during the course of the examination by the officers and employees of the company are acknowledged.

In addition to the undersigned, the following representatives of the Office of the Commissioner of Insurance, State of Wisconsin, participated in the examination:

Name	Title
David A Jensen	IT Specialist

Respectfully submitted,

John E. Pollock
Examiner-in-Charge

EXHIBIT A – Provider Listing

By name:

Name	City
20/20 VISIONS, LLC	PLYMOUTH
27TH STREET OPTICAL	MILWAUKEE
ADVANCED EYECARE	PLYMOUTH
ADVANCED EYECARE AND CONTACT	LAKE GENEVA
ADVANCED EYECARE CENTER LLC	GREEN BAY
ADVANCED FAMILY EYECARE	WAUPACA
AMERICA'S BEST	APPLETON
AMERICA'S BEST	MADISON
AMERICA'S BEST	OAK CREEK
ANDERSON VISION CENTER	OSHKOSH
ANTIGO EYE CARE CENTER	ANTIGO
ANTIGO VISION CLINIC S.C.	ANTIGO
AURORA ADVANCED HEALTHCARE	MENOMONEE FALLS
AURORA ADVANCED HEALTHCARE	MILWAUKEE
AURORA ADVANCED HEALTHCARE	PORT WASHINGTON
AURORA HEALTH CARE	OSHKOSH
AURORA HEALTH CARE	TWO RIVERS
AURORA HEALTH CENTER	WAUKESHA
AURORA MEDICAL GROUP	FOND DU LAC
AURORA MEDICAL GROUP	HARTFORD
AURORA MEDICAL GROUP	OSHKOSH
AURORA MEDICAL GROUP	PLYMOUTH
AURORA MEDICAL GROUP	SUMMIT
AURORA MEDICAL GROUP	WEST BEND
AURORA VISION CENTER	CEDARBURG
AURORA VISION CENTER	FOND DU LAC
AURORA VISION CENTER	HARTFORD
AURORA VISION CENTER	HARTLAND
AURORA VISION CENTER	KIEL
AURORA VISION CENTER	OSHKOSH
AURORA VISION CENTER	SHEBOYGAN
AURORA VISION CENTER	TWO RIVERS
AURORA VISION CENTER	WEST BEND
AURORA WILKINSON MEDICAL CLINIC	HARTLAND
BADGER OPTICAL	GRAFTON
BADGER OPTICAL	SHEBOYGAN
BADGER OPTICAL	WAUWATOSA
BARNETT WAMBOLDT EYE CARE	KENOSHA
BE SPECTACLED	WAUWATOSA
BEAUDOIN & WADE	APPLETON
BEAVER DAM EYE CLINIC	BEAVER DAM
BEAVER DAM EYECARE	BEAVER DAM
BELOIT CLINIC	BELOIT
BERLIN FAMILY EYE CARE SC	BERLIN
BROADWAY VISION CENTER	WAUPACA
BRONZE OPTICAL	MILWAUKEE

Name	City
CHILTON FAMILY EYE CARE	CHILTON
CHRISTINA HAEFS OD	BEAVER DAM
COMMUNITY EYE CARE, INC.	MENASHA
COMMUNITY EYECARE, INC.	BRILLION
CORINNE BEIERSDORF	HOWARDS GROVE
CORR OPTICIANS INC	NEENAH
CRANDON VISION CENTER	CRANDON
DARBOY OPTICAL, LLC	APPLETON
DARWIN EYE CARE LLC	MILWAUKEE
DAVID DORSEY OD	MADISON
DAVID W KISIOLEK OD	HOWARDS GROVE
DAVIS DUEHR DEAN	BARABOO
DAVIS DUEHR DEAN-REEDSBURG	REEDSBURG
DAVIS SCHEIDT OD	WAUWATOSA
DEAN & FLETCHER	MEQUON
DEPARTMENT OF HEALTH & FAMILY	MADISON
DJ KONTRA MD & ASSOCIATES SC	RACINE
DON MCKENZIE O.D.	DODGEVILLE
DONALD DLOUHY OD	BUTLER
DONALD MCKENZIE	FENNIMORE
DR EDWARD J TOMASIK & ASSOCIATED OPTOMETRISTS	CUDAHY
DR. ELIZABETH CHRISTIANSEN	WAUWATOSA
DR. ELM AND ASSOCIATES	GREEN BAY
DR. GARY WALTERS	CEDARBURG
DR. JOE G PRELL	REEDSBURG
DR. JOHN E HALL OPTOMETRY	ELKHORN
DR. ROGER S LAMOREUX	MERRILL
DR. SARAZEN & ASSOCIATES	WAUSAU
DR. SAVIN & ASSOCIATES	RACINE
DR. STEPHEN R ROLLINS	STEVENS POINT
DR. TIM SEIFERT OPTOMETRIST SC	HARTLAND
DR. DANIEL'S EYECARE PLACE	GREEN BAY
DR. JEFFREY MARSH	WINNECONNE
DR. SHANE A. SOLBERG	WAUKESHA
DR. WAGNER'S SOUTHRIDGE OPTIC	GREENDALE
DURAND OPTOMETRY CLINIC	DURAND
EAST TOWNE OPTICAL	MEQUON
EDGERTON VISION CENTER	EDGERTON
EGGERT FAMILY EYECARE LLC	KIEL
ELLIOT & WEBB, DRs.	JANESVILLE
ELLIOTT AND WEBB, DRs.	PORTAGE
ELLIOTT VISION CENTER	RACINE
ENVISION EYECARE	WAUSAU
ERIN GOGA, OD	MARATHON
ESSENTIAL FAMILY VISION CARE	DE FOREST
EYE CARE ASSOC. OF BARABOO	BARABOO

Name	City
BROOKFIELD VISION CENTER, SC	BROOKFIELD
EYE CARE CENTER OF MARSHFIELD	MARSHFIELD
EYE CARE OPTICAL	WEST BEND
EYE CARE PROFESSIONALS, INC.	GREEN BAY
EYE CARE SPECIALISTS	MILWAUKEE
EYE CARE VISION CENTER	MILWAUKEE
EYE CARE VISION CENTERS	BROOKFIELD
EYE CLINIC OF MANITOWOC	MANITOWOC
EYE CLINIC OF WAUKESHA	WAUKESHA
EYE CONTACT	BELOIT
EYE DEAL OPTICAL	HARTFORD
EYE PHYSICIAN ASSOCIATES	MEQUON
EYE SITE	TWIN LAKES
EYE SITE VISION CARE CENTER	BROOKFIELD
EYECARE CENTER OF NEW HOLSEIN	NEW HOLSTEIN
EYEDEAL EYEWEAR	PORTAGE
EYEMART EXPRESS	APPLETON
EYEMART EXPRESS	GREEN BAY
EYEOPENERZ	RACINE
EYEOPIA SC	JANESVILLE
EYES FOR YOU	STURGEON BAY
EYES ON U OPTICAL	SALEM
EYESITE VISION CTR.	NEW BERLIN
EYEWEAR EXPRESS	RHINELANDER
EYEWORKS INC.	JANESVILLE
EYEWORKS OF BELOIT INC.	BELOIT
FACES EYEWEAR	APPLETON
FAMILY EYE CARE OF LAKE GENEVA SC	LAKE GENEVA
FAMILY FOCUS EYE CARE	FOND DU LAC
FAMILY FOCUSED VISION CARE	SHERRWOD
FAMILY VISION & CONTACT LENS CENTERS	BURLINGTON
FAMILY VISION & CONTACT LENS CENTERS	MUKWONAGO
FAMILY VISION & CONTACT LENS CENTERS	OAK CREEK
FAMILY VISION CENTER	CEDARBURG
FLUEGGE OPTICAL INC	WATERFORD
FROEDTERT HEALTH HARTFORD CLINIC	HARTFORD
FROEDTERT HEALTH MENOMONEE FALLS CLINIC	MENOMONEE FALLS
FROEDTERT MEMORIAL LUTHERAN HOSP.	MILWAUKEE
GERAETS VISION CENTER INC.	JANESVILLE
GERMANTOWN VISION CENTER	GERMANTOWN
GRANGE VISION CENTER, INC.	MILWAUKEE
GREAT LAKES FAMILY VISION	SAUKVILLE
GRIEBENOW EYECARE	CLINTONVILLE
GRIEBENOW EYECARE	NEW LONDON
HARTFORD VISION CENTER	HARTFORD
HERSLOF OPTICIANS	APPLETON
HERSLOF OPTICIANS	FRANKLIN
MILTON VISION CENTER	MILTON
MILWAUKEE EYE CARE ASSOCIATES	BAYSIDE

Name	City
EYE CARE CENTER OF CHILTON	CHILTON
HERSLOF OPTICIANS	HARTFORD
HERSLOF OPTICIANS	OSHKOSH
HUDSON OPTICAL, INC.	HUDSON
INDIANHEAD EYE CLINIC	SPOONER
JACK L HUGHES, MD	MILWAUKEE
JACKSON CLINIC	JACKSON
JACKSON VISION CENTER	JACKSON
JAMES J HULEN, OD	WAUKESHA
JANE COLLIS-GEERS, MD	MILWAUKEE
JAN'S OPTICAL	WAUPUN
JCPENNEY OPTICAL	BROOKFIELD
JEFFREY J MARSH, OD	OSHKOSH
JILL C REDMAN OD	LAC DU FLAMBEAU
KENOSHA VISION AND HEARING	KENOSHA
KEVIN A. HARRY, OD	BROOKFIELD
KIEL CLINIC	KIEL
KIND OPTICAL	MILWAUKEE
KINDY OPTICAL	MENOMONEE FALLS
KNIGHT VISION & GLAUCOMA SPECIALISTS	WEST ALLIS
KOSKINEN EYE CLINIC	EAST TROY
KUEHL, ROBERT, OD	STEVENS POINT
LADD F KORESCH	LAKE GENEVA
LAKE MILLS FAMILY EYE CARE	LAKE MILLS
LAKESHORE EYE CARE PROFESSIONALS S.C.	MEQUON
LAKESHORE EYE CARE PROFESSIONALS S.C.	SAUKVILLE
LENSCRAFTERS	MILWAUKEE
LINCOLN PARK OPTICAL	KENOSHA
LINDMAN EYE CARE	SHEBOYGAN FALLS
LINDMAN EYECARE	SHEBOYGAN
MADISON OPTOMETRIC	MADISON
MAIN OPTICAL	MILWAUKEE
MALEY & STROMBERG	PHILLIPS
MALEY & STROMBERG EYE CARE LLC	TOMAHAWK
MANCHESKI VISION CLINIC	GREEN BAY
MARK A EBBEN OD LLC	KAUKAUNA
MASSIGNAN, DALE T. DR,	EAGLE RIVER
MATUS EYECARE SC	FRANKLIN
MAYFAIR OPTICAL (EYEWARE ONLY)	WAUWATOSA
MAYVILLE VISION CENTER	MAYVILLE
MCGINLEY EYE ASSOCIATES	MILWAUKEE
MEDICAL EYE ASSOCIATES, INC.	WAUWATOSA
MEDICAL EYE ASSOCIATES, S.C.	MUKWONAGO
MERCY CLINIC EAST VISION CENTER	JANESVILLE
MERCY HEALTH MALL	JANESVILLE
MERCY WALWORTH VISION CENTER	LAKE GENEVA
METRO EYE-COMPLETE FAMILY EYE	MILWAUKEE
SAM'S CLUB OPTICAL	ONALASKA
SAM'S CLUB OPTICAL	WAUKESHA

Name	City
MILWAUKEE MOBILE OPTICAL, LLC	KENOSHA
MISTY M. WATTERS, OD	SPARTA
MODERN EYES	GREEN BAY
MOES VISION CLINIC	GREEN BAY
MONDOVI EYE & OPTICAL	MONDOVI
MYERS EYECARE/WILLIAM MYERS, OD	NEW BERLIN
NEHS FAMILY VISION CENTER, INC.	WAUKESHA
NEOVISION	PEWAUKEE
NICHOLE M. CRUZ, OD	SHEBOYGAN
NORTHEAST WISCONSIN VISION CENTER	OSHKOSH
NORTHSHORE EYE CARE	OMRO
NVI AMERICAS BEST	GREENDALE
NVI AMERICAS BEST	MILWAUKEE
OCONOMOWOC VISION CLINIC, LLC	OCONOMOWOC
OLSON EYE CARE	MADISON
OLSON FAMILY VISION, S.C	RICHLAND CENTER
OPHTHALMOLOGY ASSOCIATES	CUDAHY
OPTICAL BOUTIQUE @ MACYS	WAUWATOSA
OPTICAL CONSULTANTS, INC.	PEWAUKEE
OSHKOSH OPTICAL CENTER, SC	OSHKOSH
OSSEO EYE & OPTICAL	OSSEO
PARK PLACE OPTICAL	APPLETON
PAUL C. WAGNER, OD	BURLINGTON
PEARLE VISION	APPLETON
PERSPECTIVE OF CEDAR CREEK EYE CARE	CEDARBURG
PETER CHRISTENSEN HEALTH CENTER	LAC DU FLAMBEAU
PETERSON, THOMAS G, OD	SHAWANO
POINT OF VIEW OPTICAL GALLERY	BROOKFIELD
POTAWATOMI HEALTH & WELLNESS	CRANDON
PREMIER VISION	FOX POINT
PRIMARY EYE CLINIC	OCONOMOWOC
PROHEALTH CARE MEDICAL ASSOCIATES	WAUKESHA
RAYMOND GOGA	WITTENBERG
RAYMOND M GOGA, OD	MARATHON CITY
REIMER, MELANIE, OD	GREEN BAY
ROMANAK, JOSEPH P. OD	KENOSHA
SALEM VISION CENTER	KENOSHA
SAM'S CLUB OPTICAL	APPLETON
SAM'S CLUB OPTICAL	FRANKLIN
SAM'S CLUB OPTICAL	FRANKLIN
SAM'S CLUB OPTICAL	GREEN BAY
SAM'S CLUB OPTICAL	JANESVILLE
SAM'S CLUB OPTICAL	KENOSHA
SAM'S CLUB OPTICAL	MADISON
SAM'S CLUB OPTICAL	MILWAUKEE
VISION MART	JANESVILLE
VISION WORLD INC.	EAU CLAIRE
VISIONARY EYE CARE	SHEBOYGAN
W P ZUEGE, OD, SC	FOND DU LAC
WAL-MART VISION CENTER	ANTIGO

Name	City
SAM'S CLUB OPTICAL	WAUSAU
SAM'S CLUB OPTICAL	WEST ALLIS
SCHAEFER & ASSOCIATES	MENOMONEE FALLS
SCHAEFER AND ASSOC	MENOMONEE FALLS
SEARS OPTICAL	APPLETON
SERENITY VISION	JANESVILLE
SHEBOYGAN CLINIC	SHEBOYGAN
SHOPKO OPTICAL	APPLETON
SHOPKO OPTICAL	GREEN BAY
SHOPKO STORES, INC.	GREEN BAY
SOKOL ADVANCED EYECARE	MADISON
SPEC APPEAL	GLENDALE
SPRING GREEN VISION CENTER	SPRING GREEN
STANTON OPTICAL	MADISON
STEIN OPTICAL	BROOKFIELD
STEIN OPTICAL	KENOSHA
STELLAR VISION INC	OSHKOSH
STERLING OPTICAL	BEAVER DAM
STERLING OPTICAL	BROOKFIELD
STERLING OPTICAL	DELAFIELD
STEWART OPTICAL LCC	WAUSAU
SUMMIT EYE CLINIC, S.C.	OCONOMOWOC
SUSON EYE SPECIALISTS	GLENDALE
SUSSEX EYECARE CTR	SUSSEX
T.J. PEASE & ASSOCIATES, S.C.	GREEN BAY
TARGET	FITCHBURG
TARGET OPTICAL	APPLETON
TASHNER VISION CLINIC LLC	PLATTEVILLE
THE EYE CARE CENTRE, LTD.	DARLINGTON
THE EYE GROUP, S.C.	WAUKESHA
THOMAS F. TAYLOR, MD	OCONOMOWOC
TILLMAN OPTOMETRY LLC	RICE LAKE
TODD WILD	WEYAUWEGA
TOMAHAWK EYE CARE INC.	TOMAHAWK
TOWER OPTICAL	WAUWATOSA
TRACY BUEGE, OD	JANESVILLE
UW HEALTH PARTNERS CTR. FOR EYE CARE	JOHNSON CREEK
VALLEY EYE ASSOCIATES	APPLETON
VALLEY EYE ASSOCIATES - EAST	APPLETON
VALLEY VISION CLINIC, S.C.	NEENAH
VERONA VISION CARE	VERONA
VICKERS EYE CARE INC.	MINOCQUA
VISION CLINIC SC	SCHOFIELD
VISION HEALTH EYECARE CENTER	SHAWANO
VISION MART	BROOKFIELD
WAL-MART VISION CENTER	SHAWANO
WAL-MART VISION CENTER	SHEBOYGAN
WAL-MART VISION CENTER	SPARTA
WAL-MART VISION CENTER	STURTEVANT
WAL-MART VISION CENTER	SUPERIOR

Name	City
WAL-MART VISION CENTER	APPLETON
WAL-MART VISION CENTER	BARABOO
WAL-MART VISION CENTER	BEAVER DAM
WAL-MART VISION CENTER	BELOIT
WAL-MART VISION CENTER	BLACK RIVER FALLS
WAL-MART VISION CENTER	BURLINGTON
WAL-MART VISION CENTER	CHILTON
WAL-MART VISION CENTER	CHIPPEWA FALLS
WAL-MART VISION CENTER	DE PERE
WAL-MART VISION CENTER	DELAVAN
WAL-MART VISION CENTER	DODGEVILLE
WAL-MART VISION CENTER	EAU CLAIRE
WAL-MART VISION CENTER	FOND DU LAC
WAL-MART VISION CENTER	FRANKLIN
WAL-MART VISION CENTER	GERMANTOWN
WAL-MART VISION CENTER	GREEN BAY
WAL-MART VISION CENTER	JANESVILLE
WAL-MART VISION CENTER	KENOSHA
WAL-MART VISION CENTER	LA CROSSE
WAL-MART VISION CENTER	LAKE GENEVA
WAL-MART VISION CENTER	MADISON
WAL-MART VISION CENTER	MANITOWOC
WAL-MART VISION CENTER	MARSHFIELD
WAL-MART VISION CENTER	MENOMONIE
WAL-MART VISION CENTER	MILWAUKEE
WAL-MART VISION CENTER	MONONA
WAL-MART VISION CENTER	MUKWONAGO
WAL-MART VISION CENTER	MUSKEGO
WAL-MART VISION CENTER	NEENAH
WAL-MART VISION CENTER	NEW RICHMOND
WAL-MART VISION CENTER	ONALASKA
WAL-MART VISION CENTER	OSHKOSH
WAL-MART VISION CENTER	PEWAUKEE
WAL-MART VISION CENTER	PEWAUKEE
WAL-MART VISION CENTER	PLATTEVILLE
WAL-MART VISION CENTER	PLOVER
WAL-MART VISION CENTER	PLYMOUTH
WAL-MART VISION CENTER	PORTAGE
WAL-MART VISION CENTER	PRAIRIE DU CHIEN
WAL-MART VISION CENTER	RHINELANDER
WAL-MART VISION CENTER	RICE LAKE
WAL-MART VISION CENTER	RICHLAND CENTER
WAL-MART VISION CENTER	ST. CROIX FALLS

Name	City
WAL-MART VISION CENTER	TOMAH
WAL-MART VISION CENTER	VIROQUA
WAL-MART VISION CENTER	WATERTOWN
WAL-MART VISION CENTER	WAUKESHA
WAL-MART VISION CENTER	WAUSAU
WAL-MART VISION CENTER	WEST ALLIS
WAL-MART VISION CENTER	WEST BARABOO
WAL-MART VISION CENTER	WEST BEND
WAL-MART VISION CENTER	WISCONSIN DELLS
WAL-MART VISION CENTER	WISCONSIN RAPIDS
WAUPUN EYE CLINIC	WAUPUN
WEST BEND CLINIC	WEST BEND
WEST BEND CLINIC OPTICAL	WEST BEND
WEST BEND OPTICAL	WEST BEND
WINELAND FAMILY EYECARE LLC	SHEBOYGAN
WISCONSIN VISION, INC.	APPLETON
WISCONSIN VISION, INC.	ELM GROVE
WISCONSIN VISION, INC.,	WAUKESHA
WRIGHT VISION CARE, LLC	SUN PRAIRIE