

1 provide a reasonable explanation for the denial of claims in sufficient detail to allow
2 members and providers to appeal an adverse decision.

3 **CONCLUSIONS OF LAW**

4 1. UOOLIC violated A.R.S. § 20-461(A)(15) and A.A.C. R20-6-801(G)(1)(a)
5 by failing to provide a reasonable explanation for the denial of claims in sufficient detail
6 to allow members and providers to appeal an adverse decision.

7 **ORDER**

8 **IT IS HEREBY ORDERED THAT:**

9 1. UOOLIC shall cease and desist from failing to provide a reasonable
10 explanation for the denial of claims in sufficient detail to allow members and providers
11 to appeal an adverse decision.

12 2. Within 90 days of the filed date of this Order, UOOLIC shall submit to the
13 Arizona Department of Insurance, for approval, evidence that UOOLIC implemented
14 corrections and communicated these corrections to the appropriate personnel,
15 regarding the issues outlined in Paragraph 1 of the Order section of this Consent
16 Order. Evidence of corrective action and communication thereof includes, but is not
17 limited to, memos, bulletins, E-mails, correspondence, procedures manuals, print
18 screens, and training materials.

19 3. The Department shall, through its authorized representatives, verify that
20 UOOLIC has complied with all provisions of this Order.

21 4. UOOLIC shall pay a civil penalty of \$3,000.00 to the Director for
22 remission to the State Treasurer for deposit in the State General Fund in accordance
23 with A.R.S §§ 20-220(B) and 20-456(B). UOOLIC shall submit the civil penalty to the
24 Market Oversight Division of the Department prior to the filing of this Order.

25 5. The Report dated June 30, 2006, including the letter with UOOLIC's

1 objections to the Report, shall be filed with the Department upon the filing of this Order.

2 DATED this 15th day of April, 2008.

3
4 

5 Christina Urias
6 Director of Insurance

7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1 **CONSENT TO ORDER**

2 1. UOOLIC has reviewed the foregoing Order.

3 2. UOOLIC admits the jurisdiction of the Director of Insurance, State of
4 Arizona, admits the foregoing Findings of Fact, and consents to the entry of the
5 Conclusions of Law and Order.

6 3. UOOLIC is aware of the right to a hearing, at which it may be represented
7 by counsel, present evidence and cross-examine witnesses. UOOLIC irrevocably
8 waives the right to such notice and hearing and to any court appeals related to this
9 Order.

10 4. UOOLIC states that no promise of any kind or nature whatsoever was
11 made to it to induce it to enter into this Consent Order and that it has entered into this
12 Consent Order voluntarily.

13 5. UOOLIC acknowledges that the acceptance of this Order by the Director
14 of the Arizona Department of Insurance is solely for the purpose of settling this matter
15 and does not preclude any other agency or officer of this state or its subdivisions or
16 any other person from instituting proceedings, whether civil, criminal, or administrative,
17 as may be appropriate now or in the future.

18 6. Daniel J. Kennelly, who holds the office of
19 Vice President of UOOLIC, is authorized to enter into this Order for
20 them and on their behalf.

21 **United of Omaha Life Insurance Company**

22
23 April 11, 2008

24 Date

25 By 

1 COPY of the foregoing mailed/delivered
2 this 16th day of April, 2008, to:

3 Gerrie Marks
4 Deputy Director
5 Mary Butterfield
6 Assistant Director
7 Consumer Affairs Division
8 Paul J. Hogan
9 Market Oversight Administrator
10 Market Oversight Division
11 Dean Ehler
12 Assistant Director
13 Property & Casualty Division
14 Steve Ferguson
15 Assistant Director
16 Financial Affairs Division
17 David Lee
18 Chief Financial Examiner
19 Financial Affairs Division
20 Alexandra Schafer
21 Assistant Director
22 Life and Health Division
23 Terry L. Cooper
24 Fraud Unit Chief
25 Investigations Division

DEPARTMENT OF INSURANCE
2910 North 44th Street, Suite 210
Phoenix, AZ 85018

Pamela Bishop
Regulatory Issues Manager
Regulatory Affairs
United of Omaha Life Insurance Company
Mutual of Omaha Plaza
Omaha, NE 68175

