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			STATE OF ARIZONA FILED	
1	STATE OF ARIZONA		MAR 12 2014	
2	DEPARTMENT OF INSURANCE		DEPT OF INSURANCE	
3	In the Matter of:			
4	UNITEDHEALTHCARE LIFE INSURANCE	No. 14A-012-INS		
5	COMPANY (fka American Medical Security Insurance Company), (NAIC No. 97179)	CONSENT ORDER		
6	Respondent.			
7		l		
8	The State of Arizona Department of Insurance ("Department") has received evidence			
9	that UnitedHealthcare Life Insurance Company (fka American Medical Security			
	Insurance Company) has violated provisions of Title 20, Arizona Revised Statutes ("A.R.S."),			
10	the Arizona Administrative Code ("A.A.C.") and applicable provisions of the Patient Protection			
11	and Affordable Care Act (P.L. 111-148) as amended by the Health Care and Education			
12	Reconciliation Act (P.L. 111-152). Respondent wishes to resolve this matter without the			
13	commencement of formal proceedings, and admits the following Findings of Fact are true and			
14	consents to entry of the following Conclusions of Law and Order.			
	FINDING	S OF FACT		
15	1. UnitedHealthcare Life Insurance	e Company (fka Amer	ican Medical Security	
16	Insurance Company) ("UHCLIC") is a Wisconsin corporation that, and at all times material,			
17	holds a Certificate of Authority to operate in Arizona as a life and disability insurer.			
18	2. Beginning in 2013, UHCLIC mar	keted and issued poli	cy forms to which the	
	Affordable Care Act applies without filing thos	e forms and related ra	ites ("forms and rates")	
19	with the Department or receiving approval from the Department for those forms and related			
20	rates.			
21	3. The forms and rates were the basis for the following product and associated			
22	plans that UHCLIC submitted to the Health Insurance Oversight System ("HIOS"):			
23	a. HIOS Product ID No. 901	69AZ014		

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b. HIOS Plan ID Nos. 90169AZ0140001 through 90169AZ0140010.

CONCLUSIONS OF LAW

1. The Director has jurisdiction over this matter. A.R.S. § 20-238.

2. Respondent's conduct, as alleged above, constitutes issuing a contract, policy, certificate or evidence of coverage or otherwise transacting insurance if the coverage and benefits provided in the contract, policy, certificate or evidence of coverage are inconsistent with the applicable provisions of the Patient Protection and Affordable Care Act (P.L. 111-148) as amended by the Health Care and Education Reconciliation Act (P.L. 111-152) (hereafter collectively referred to as the "Affordable Care Act") or any rules adopted pursuant to those acts, within the meaning of A.R.S. § 20-238(B).

3. Respondent's conduct, as alleged above, constitutes issuing a disability policy form that has not been filed with and approved by the Department within the meaning of A.R.S. § 20-1110(A) and is not accompanied by a rate filing within the meaning of A.A.C. R20-6-607(B) and 45 CFR § 154.215(c).

The Director has the authority to suspend an insurer's certificate of authority or
 assess other appropriate penalties if an insurer violates any provision of Title 20 other than a
 provision as to which refusal, suspension or revocation is mandatory, pursuant to A.R.S. § 20 220(A)(1).

<u>ORDER</u>

IT IS THEREFORE ORDERED:

 Subject to paragraph 2 below, Respondent's Certificate of Authority is suspended for the purposes of marketing or issuing any policy form to which the Affordable Care Act applies, for coverage beginning on or before December 31, 2014, including without limitation any policy form associated with the product and plans identified by HIOS Product ID No. 90169AZ014 and HIOS Plan ID Nos. 90169AZ0140001 through 90169AZ0140010.

2. Respondent may market and issue policy forms to which the Affordable Care Act applies and for coverage beginning on or after January 1, 2015 only if Respondent has:

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1	a. Filed with and received approval from the Department for those policy forms		
2	and related rates; and		
3	b. Filed with the Department all advertising and marketing material to be used		
4	for those policy forms and rates.		
5	3. Respondent shall continue to administer coverage for the policy forms, product		
	and plans identified above that were already issued or delivered in Arizona, including the		
6	collection of necessary premiums and the adjudication and payment of any claims under the		
7	policy forms, product and plans, all in accordance with the terms and conditions of the policy		
8	forms, product and plans and applicable law.		
9	4. Respondent shall immediately cease and desist marketing or issuing any policy		
10	form to which the Affordable Care Act applies, for coverage beginning on or before December		
11	31, 2014, including without limitation any policy form associated with the following product and		
12	associated plans: a. HIOS Product ID No. 90169AZ014		
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14	5. Respondent shall pay all valid claims, for so long as such claims may legally be		
15	brought, arising out of acts covered by any and all policy forms it has issued to Arizona		
16	residents to which the Affordable Care Act applies, for coverage beginning on or before		
17	December 31, 2014, including without limitation any policy form associated with the following		
18	product and associated plans:		
19	a. HIOS Product ID No. 90169AZ014		
20	b. HIOS Plan ID Nos. 90169AZ0140001 through 90169AZ0140010.		
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1	6. This Order shall become effective immediately and shall remain in full force and			
2	effect until otherwise stayed, modified, vacated or set aside.			
3	DATED AND EFFECTIVE this 11th day of March_, 2014.			
4	Dermaine L. Manha GERMAINE L. MARKS			
6	Director of Insurance			
7	CONSENT TO ORDER			
8	1. Respondent has reviewed the foregoing Findings of Fact, Conclusions of Law			
9	and Order.			
10	2. Respondent admits to the jurisdiction of the Director of Insurance, State of			
11	Arizona, and admits the foregoing Findings of Fact and consents to the entry of the foregoing			
12	Conclusions of Law and Order.			
13	3. Respondent is aware of its right to notice and a hearing at which it may be			
14	represented by counsel, present evidence and examine witnesses. Respondent irrevocably			
15	waives its right to such notice and hearing and to any court appeals relating to this Consent			
16	Order.			
17	4. Respondent states that no promise of any kind or nature whatsoever, except as			
18	expressly contained in this Consent Order, was made to it to induce it to enter into this			
19	Consent Order and that it has entered into this Consent Order voluntarily.			
20	5. Respondent acknowledges that the acceptance of this Consent Order by the			
21	Director is solely to settle this matter against it and does not preclude any other agency,			
22	officer, or subdivision of this state including the Department from instituting civil or criminal			
23	proceedings as may be appropriate now or in the future not related to this matter.			

6. Respondent acknowledges that this Consent Order is an administrative action
that the Department will report to the National Association of Insurance Commissioners
(NAIC). Respondent further acknowledges that it must report this administrative action to
any and all states in which it holds an insurance license and must disclose this administrative
action on any license application.

7. Michael L. Corne represents that he is the Vice President of UnitedHealthcare Life Insurance Company and, as such, is authorized to enter this Consent Order on its behalf.

UnitedHealthcare Life Insurance Company

3/10/2014

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Michael L. Corne, Vice President

13 COPY of the foregoing mailed this 13 <u>12th</u> day of <u>March</u>, 2014, to:

Patrick Francis Carr, President
United Healthcare Life Insurance Company
3100 AMS Blvd.
P.O. Box 19032

16 Green Bay, WI 54307-9032

¹⁷ United Healthcare Life Insurance Company
c/o Mike Corne, Vice President
¹⁸ P.O. Box 19032

¹⁹ Green Bay, WI 54307-9032 Respondent

- ²⁰ United Healthcare Life Insurance Company
 ²¹ C/o William O. Williams II, Deputy General Counsel
 3100 AMS Blvd.
 P.O. Box 19032
- ²² Green Bay, WI 54307-9032 Respondent

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United Healthcare Life Insurance Company c/o CT Corporation 2390 East Camelback Road Phoenix, Arizona 85016 Statutory Agent for Respondent Darren Ellingson, Deputy Director Mary E. Kosinski, Exec. Assistant for Reg. Affairs Catherine M. O'Neil, Consumer Legal Affairs Officer Alexandra Shafer, Life & Health Assistant Director Department of Insurance 2910 North 44th Street, Suite 210 Phoenix, Arizona 85018 Curvey Buston