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BEFORE THE COMMISSIONER OF INSURANCE  
OF THE STATE OF UTAH

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In Re:	:	
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MULTISTATE REGULATORY	:	<b>ADOPTION OF</b>
SETTLEMENT AGREEMENT WITH:	:	<b>REGULATORY</b>
	:	<b>SETTLEMENT</b>
	:	<b>AGREEMENT</b>
<b>HCC LIFE INSURANCE COMPANY, HCC</b>	:	
<b>MEDICAL INSURANCE SERVICES, LLC,</b>	:	
<b>AND HCC INSURANCE HOLDINGS, INC.</b>	:	
	:	
	:	Docket No. 2018-003 AD
	:	
	:	
	:	Lisa Watts Baskin
	:	Presiding Officer

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WHEREAS, a regulatory settlement agreement (“Regulatory Settlement Agreement” or “RSA”) has been entered into between (a) HCC Insurance Company, HCC Medical Insurance Services, LLC, and HCC Insurance Holdings, LLC, together with its affiliates and each of its

predecessors, successors, assigns and legal representatives (collectively referred to herein as “HCC Group” or the “Companies”) and (b) the insurance regulators of Florida, Indiana, Kansas and Utah (“Lead States”), which RSA was signed by HCC Group on December 19, 2017, and by each Lead State and the other participating states (“Participating States” or “Departments”) to sign no later than March 1, 2018;

WHEREAS, the Departments have regulatory jurisdiction over the business of insurance conducted in their respective jurisdictions;

WHEREAS, the Departments are the Lead and Participating States in the Multi-State Examination that were called to assess HCC Group’s writing, form filing, marketing, soliciting and claims payment of medical insurance plans from March 23, 2010 to April 30, 2016, and included HCC Group’s relationship with Health Insurance Innovations (“HII”) through which HII marketed, sold, collected and distributed premium relating to HCC Group short term medical products;

WHEREAS, the Multi-State Examination made no formal findings, but presented HCC Group with a number of preliminary criticisms, including (1) timely processing of claims and providing appropriate notices; (2) licensing and appointment concerns; and (3) sales and marketing concerns including HHC Group’s relationship with HII;

WHEREAS, as a result of the preliminary criticisms, HCC Group agreed to: (1) terminate its contractual relationships with HII; (2) exited the short-term medical insurance market; and (3) engaged in settlement discussions with the Lead States.

WHEREAS, HCC Group has agreed to: (1) a multi-state payment of \$5,000,000, to be distributed among the Participating States; and (2) refrain from directly or indirectly entering the short-term medical insurance market in any of the participating jurisdictions for a period of five (5) years;

WHEREAS, HCC Group and the Departments desire to resolve the differences between the Parties as an alternative to a lengthy adjudicatory process for making and enforcing any such formal findings, the Parties determined that entering into a RSA would be in the best interest of consumers;

WHEREAS, the RSA will become effective upon the date the RSA has been executed by HCC Group, the Lead States, and 21 Participating States; and

WHEREAS, the Commissioner of Insurance of the State of Utah has determined that it is in the best interests of the citizens of the State of Utah that the Utah Insurance Department participate in the settlement of the subject matter of the RSA;

NOW THEREFORE, IT IS HEREBY ORDERED:

The Commissioner of Insurance of the State of Utah, as executive director of the Utah Insurance Department, hereby adopts, agrees to, and approves the Regulatory Settlement Agreement by and between HCC Group and the Participating States (including the Lead States) that was signed by HCC Group on December 19, 2017, and by the Participating States by March 1, 2018. (A copy of the Regulatory Settlement Agreement is attached hereto and incorporated herein by this reference as Exhibit A.)

DATED this 11 day of April, 2018.



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