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BEFORE THE UTAH INSURANCE COMMISSIONER

UTAH INSURANCE DEPARTMENT, Complainant, vs. UNITED AUTOMOBILE INSURANCE COMPANY, Respondent.	FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER Docket No. 2019-4084 Lisa Watts Baskin Presiding Officer
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Complainant, Utah Insurance Department ("Department") and Respondent, United Automobile Insurance Company, have stipulated to entry of the following Findings of Fact, Conclusions of Law, and Order. Based upon that stipulation, and good cause appearing, the Presiding Officer makes and enters the following:

FINDINGS OF FACT

1. Respondent is an authorized foreign insurance company holding license number 35319.
2. Respondent's mailing address is United Automobile Insurance Company, 1313 NW 167th Street, Miami, FL 33169-5739.

3. It is alleged that Respondent failed to properly investigate a third party auto accident claim against its insured. The claim was submitted on May 17, 2017. Although the company took actions to investigate the claim, it was not handled properly and 30 day letters were not sent to the claimant.

4. The claim was ultimately denied. The denial letter was not sent to the claimant until August 28, 2017.

5. This is the third enforcement action against Respondent. In 2016, Respondent stipulated to an order imposing a \$15,000 forfeiture based on violations of R590-190-10(2) and (3). The order stayed payment of \$7,500 if Respondent submitted an acceptable plan for fairly settling claims to the Department. Respondent paid \$7,500 and submitted a plan.

6. In June 2017, Respondent stipulated to an order imposing a \$30,000 forfeiture based on 3 violations of R590-190-10(3).

7. Since receiving a Utah license in 2002, Respondent's consumer complaints have been much higher than similarly-situated insurers in the non-standard auto market. The Department has confirmed 47 consumer complaints received concerning Respondent.

8. The Department and Respondent have agreed to an administrative forfeiture of \$50,000.00.

CONCLUSIONS OF LAW

1. The Utah Insurance Commissioner ("Commissioner") has jurisdiction over the parties and this adjudicative proceeding pursuant to Utah Code §§ 31A-1-105 and 31A-2-201.

2. The Commissioner has legal authority to impose penalties on the Department's licensees who violate the Utah Insurance Code. Utah Code § 31A-2-308.

3. Utah Code § 31A-26-303(3) states that failing to adopt and implement reasonable standards for the prompt investigation and processing of claims under insurance policies is an unfair claim settlement practice. Respondent violated this section by failing to promptly investigate a third-party auto accident claim against its insured.

4. As penalties for the violations in this case, Respondent should be ordered to pay a forfeiture of \$50,000.00.

ORDER


Based on the foregoing Findings of Fact and Conclusions of Law, it is hereby Ordered that:

1. Respondent shall pay a forfeiture of \$50,000.00 for the violations described in the Conclusions of Law.

2. Respondent is ordered not to commit the violations described in the Conclusions of Law in the future.

DATED this 20th day of March, 2019.

TODD E. KISER
Utah Insurance Commissioner



Lisa Watts Baskin
Presiding Officer
Utah Insurance Department

NOTICE TO RESPONDENT

You are hereby notified that a failure to obey an Order of the Commissioner may subject you to further penalties, including forfeitures of up to \$5,000 per violation and the suspension or revocation of your license and the filing of an action in district court, which may impose forfeitures of up to \$10,000 per day for continued violation. You are further notified that other jurisdictions in which you may be licensed may require that you report this action to them.

CERTIFICATE OF SERVICE

The undersigned certifies that on this date a true and correct copy of the foregoing Findings of Fact, Conclusions of Law and Order was emailed to:

Randy Smart
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Helen A. Frohlich
Assistant Attorney General
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DATED this 20th day of March, 2019.



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