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BEFORE THE UTAH INSURANCE COMMISSIONER

UTAH INSURANCE DEPARTMENT, Complainant,	NOTICE OF INFORMAL ADJUDICATIVE PROCEEDING AND ORDER
vs.	
WASHINGTON NATIONAL INSURANCE COMPANY,	Docket No. 2019-4171
Respondent.	Lisa Watts Baskin Presiding Officer

NOTICE OF INFORMAL ADJUDICATIVE PROCEEDING

The Utah Insurance Department (“the Department”) commences this informal adjudicative proceeding against Respondent Washington National Insurance Company (“Respondent”), pursuant to Utah Code §§ 31A-2-201 and 63G-4-201 through -203, and to Utah Admin. Code R590-160.

This informal adjudicative proceeding is based on the facts and law set forth in the attached Declaration and is designated as an informal adjudicative proceeding pursuant to Utah Code § 63G-4-202(1) and Utah Admin. Code R590-160-4 and -8.

ORDER

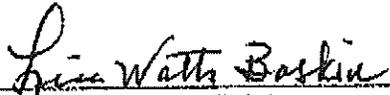
Based on the facts and the law set forth in the attached Declaration, and good cause appearing, the Utah Insurance Commissioner orders as follows:

1. Respondent shall forfeit to the Department the amount of \$1,500.00.
2. To avoid additional penalties, Respondent shall file its 2018 long-term care reports, i.e., Replacement and Lapse Report; Claims Denial Report; Recession Report; and Suitability Report, in accordance with Utah Admin. Code R590-220-13(3), within 15 days of the date of this Order.
3. Pursuant to Utah Code § 63G-4-203(1)(i) and Utah Admin. Code R590-160-8(1), this informal adjudicative proceeding shall be deemed closed, and this Order shall become final and take full effect, 15 days after this Notice of Informal Adjudicative Proceeding and Order is emailed to Respondent unless a request for a hearing on this matter is received from Respondent prior to that date.
4. A request for a hearing shall be sent by email to uidadmincases@utah.gov or by U.S. mail to Office of the Administrative Law Judge, Utah Insurance Department, 3110 State Office Building, Salt Lake City, UT 84114. The request for hearing shall be signed by the person making the request and shall state the basis for the relief requested.

5. If you fail to request a hearing you will be bound by this Order. Failure to request a hearing will be deemed a failure to exhaust administrative remedies and will preclude any further administrative or judicial review or appeal of this matter.

DATED this 24th day of January, 2020.

TODD E. KISER
Utah Insurance Commissioner



LISA WATTS BASKIN
Presiding Officer
Utah Insurance Department
3110 State Office Building
Salt Lake City, UT 84114
801-538-3860
Email: uidadmincases@utah.gov

NOTICE REGARDING ENFORCEMENT OF THE ORDER

Failure to obey the Order may subject you to further penalties that include forfeitures of up to \$2,500 per violation, license suspension or revocation, and/or further enforcement action before the Utah District Court where forfeitures of up to \$10,000 may be imposed. If you are licensed in other jurisdictions, you may be required to report this proceeding to those jurisdictions.

DECLARATION

Under criminal penalty of Utah law, I, Karen Maybury, declare the following:

1. I am currently employed as a Market Conduct Examiner with the Utah Insurance Department (“Department”) where my responsibilities include investigating and enforcing Utah insurance laws.

2. I submit this Declaration as the basis for issuing the Notice of Informal Adjudicative Proceeding and Order against Washington National Insurance Company (“Respondent”) to which this Declaration is attached.

3. Based on my personal knowledge and/or based on the facts appearing in the Department’s records and files, the following facts are true:

a. Respondent is an insurer domiciled in the State of Indiana and is authorized to do insurance business in the State of Utah. Respondent’s license number is 803.

b. Respondent markets or maintains long-term care (“LTC”) insurance policies.

c. Pursuant to Utah Admin. Code R590-148-25, Respondent is required to prepare and electronically file with the Department the following reports concerning its LTC insurance policies: Replacement and Lapse Report; Claims Denial Report; Recession Report; and Suitability Report (collectively the “LTC Reports”).

d. Pursuant to Utah Admin. Code R590-220-13(3), the LTC Reports are to be electronically submitted to the Department as one filing.

e. Pursuant to Utah Admin. Code R590-148-25(6) and Utah Admin. Code R590-220-13(3), the LTC Reports are due annually on or before June 30th.

f. In March of 2019, the Utah Insurance Commissioner imposed a \$750.00 forfeiture against Respondent for failing to file its 2017 LTC Reports on or before June 30, 2018. *See Utah Ins. Dep't v. Washington Nat'l Ins. Co.*, Docket No. 2019-4107.

g. On June 29, 2019, Respondent electronically filed its 2018 LTC Reports, System for Electronic Rate & Form Filing (SERFF) tracking number CNMC-131998605.

h. On July 1, 2019, the Department sent Respondent a "24-hour notice" informing Respondent that corrections needed to be made to its 2018 LTC Reports filing. The notice stated that Respondent had 24 hours to make corrections to the filing or the Department would reject the filing.

i. On July 3, 2019, having received no response from Respondent regarding the 24-hour notice, the Department rejected Respondent's 2018 LTC Reports filing.

j. Pursuant to Utah Admin. Code R590-220-5(3), a filing, e.g., an LTC report filing, that the Department rejects is not considered filed with the Department and a new filing must be submitted to the Department.

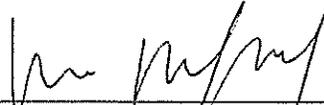
k. To date, Respondent has not filed its 2018 LTC Reports.

4. The above declared facts demonstrate that Respondent did not comply with the following provisions of Utah law:

a. Utah Admin. Code R590-148-25(6) and Utah Admin. Code R590-220-13(3), which require Respondent to electronically file its LTC Reports annually on or before June 30th.

5. Based on Utah Code § 31A-2-308 and other similar enforcement cases, the proper forfeiture amount for this violation is \$1,500.00.

Signed on this 22nd day of January, 2020, at Salt Lake City, Utah.



Karen Maybury, Market Conduct Examiner
Utah Insurance Department