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BEFORE THE UTAH INSURANCE COMMISSIONER

UTAH INSURANCE DEPARTMENT, Complainant, vs. GUARANTY INCOME LIFE INSURANCE COMPANY, Respondent.	NOTICE OF INFORMAL ADJUDICATIVE PROCEEDING AND ORDER Docket No. 2019-4172 Lisa Watts Baskin Presiding Officer
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NOTICE OF AGENCY ACTION

The Utah Insurance Department (“the Department”) commences this informal adjudicative proceeding against Respondent Guaranty Income Life 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 2017 and 2018 long-term care reports 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 10th 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, 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, Carrie Backus, declare the following:

1. I am currently employed as a Market Conduct Examiner with the Utah Insurance 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 Guaranty Income Life 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 Iowa and authorized to do insurance business in Utah. Respondent’s license no. is 1148.

b. Respondent markets long term care insurance policies and is required under Utah Admin. Code R590-148-25 and R590-220-13(3) to electronically file its Replacement and Lapse Report, its Claims Denial Report, its Rescission Report, and its Suitability Report (“the reports”), together as one filing, on or before June 30th of each year.

c. Respondent failed to file the reports on or before June 30, 2019.

d. Respondent was previously assessed a forfeiture of \$750.00 for failing to file the reports for 2017 on or before June 30, 2018. Utah Insurance Department v. Guaranty Income Insurance Company, Docket No. 2019-4106, March 6, 2019.

e. Respondent filed the reports for calendar year 2017 on October 15, 2018, but the filing was rejected. Pursuant to R590-220-5(3), a rejected filing is not considered filed with the Division and must be submitted as a new filing.

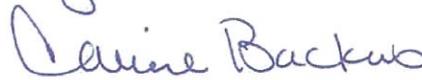
f. Respondent has not submitted a compliant report filing since March 8, 2017.

4. The above declared facts demonstrate that the following Utah insurance law(s) were not complied with:

a. Respondent violated Utah Admin. Code R590-148-25 and R590-220-13(3) by failing to electronically file its annual long term care reports on or before June 30, 2019.

5. Based on Utah Code § 31A-2-308 and other similar enforcement cases, the proper forfeiture for the violation(s) should be \$1,500.00.

Signed on this 9th day of January, 2020, at Salt Lake City, Utah.



Carrie Backus, Market Conduct Examiner
Utah Insurance Department