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BEFORE THE UTAH INSURANCE COMMISSIONER

UTAH INSURANCE DEPARTMENT, Complainant, vs. PRUDENTIAL INSURANCE COMPANY OF AMERICA, Respondent.	NOTICE OF AGENCY ACTION AND ORDER Docket No. 2022-4376 Donald H. Hansen Administrative Law Judge/Presiding Officer
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NOTICE OF AGENCY ACTION

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

This agency action 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 \$3,500.00.
2. 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 Agency Action and Order is emailed to Respondent unless a request for a hearing on this matter is received from Respondent prior to that date.
3. A request for a hearing shall be in writing and sent by email to uidadmincases@utah.gov or by U.S. mail to Office of the Administrative Law Judge, Utah Insurance Department, 4315 S. 2700 W., Taylorsville, UT 84129. The request for hearing shall be signed by the person making the request and shall state the basis for the relief requested.
4. 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 15th day of February, 2022.

JONATHAN T. PIKE
Utah Insurance Commissioner

/s/ Donald H. Hansen
DONALD H. HANSEN
Administrative Law Judge/Presiding Officer
Utah Insurance Department
4315 S. 2700 W., Suite 2300
Taylorsville, UT 84129
Telephone: 801-957-9321
Email: uidadmincases@utah.gov

NOTICE REGARDING ENFORCEMENT OF THE ORDER

Failure to obey the Order may subject you to further penalties that include a forfeiture of up to \$5,000 per violation, with each day of the violation constituting a separate violation. Other penalties for failing to obey this Order may include license suspension, probation, refusal to renew, or revocation. Failure to obey this Order may also result in an action taken against you in a court of competent jurisdiction where forfeitures of up to \$10,000 for each day the failure to comply continues until judgment is rendered. 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 (“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 Prudential Insurance Company of America (“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 New Jersey and authorized to do insurance business in Utah. Respondent’s license no. is 654.
- b. Respondent markets long term care insurance policies and is required by 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 long-term care reports”), together as one filing, on or before June 30th of each year.
- c. On June 30, 2021, Respondent submitted its long-term care reports for 2020. The Department rejected the filing due to errors related to completeness and compliance with filing submission requirements and sent Respondent a notice to correct the filing by July 6, 2021.
- d. Respondent submitted an amendment on July 6, 2021 but failed to bring the filing into compliance. The Department rejected the filing on July 8, 2021.

e. Pursuant to Utah Admin. Code R590-220-5(3), a rejected filing is not considered filed with the Department.

f. Respondent submitted a new filing of its long-term care reports which the Department accepted on July 22, 2021.

g. Respondent was previously assessed a forfeiture of \$1,500.00 for failing to file its long-term care reports for 2019 on or before June 30, 2020. *See Utah Insurance Department v. Prudential Insurance Company of America*, Docket No. 2021-4299, February 1, 2021.

h. Respondent was previously assessed a forfeiture of \$750.00 for failing to timely file its Actuarial Certification Report. *See Utah Insurance Department v. Prudential Insurance Company of America*, Docket No. 2018-4052, November 1, 2018.

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 for the 2020 calendar year on or before June 30, 2021.

5. Based on Utah Code § 31A-2-308 and other similar enforcement cases, the proper forfeiture for the violation(s) should be \$3,500.00.

Signed on this 14th day of February, 2022, at Salt Lake City, Utah.

/s/ Carrie Backus

Carrie Backus, Market Conduct Examiner
Utah Insurance Department

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this date a true and correct copy of the foregoing
Notice of Agency Action and Order, with the Declaration attached to it, was emailed to:

Prudential Insurance Company of America
Miri Lazarovick

████████████████████

and

Carrie Backus
Utah Insurance Department

████████████████

DATED this 15th day of February, 2022.

/s/ Jeanine Couser _____
Jeanine Couser
Utah Insurance Department
4315 S. 2700 W., Suite 2300
Taylorsville, UT 84129
801-957-9321