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**BEFORE THE UTAH INSURANCE COMMISSIONER**

<p>UTAH INSURANCE DEPARTMENT,  Complainant,  vs.  ACE AMERICAN INSURANCE COMPANY,  Respondent.</p>	<p>FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER</p> <p>Docket No. 2022-4459</p> <p>Donald H. Hansen Administrative Law Judge/Presiding Officer</p>
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Complainant, Utah Insurance Department ("Department") and Respondent, Ace American 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 insurer licensee, domiciled in Pennsylvania, holding Utah license number 26.
2. Respondent's mailing address is [REDACTED]
3. Respondent was the subject of a consumer complaint and subsequent investigation by the Department.

4. Pursuant to Utah Code §31A-21-201(1) except as exempted under Subsections 31A-21-101(2) through (6), a form may not be used, sold, or offered for sale in this state until the form is filed with the commissioner.

5. During the investigation, the Department learned that Respondent had sold Blanket Student Accident Insurance Plans to Utah consumers using contract forms that were not filed for use with the Department, in violation of Utah Code § 31A-21-201 and Rule R590-220-2. Specifically, Respondent had not filed their “Student Accident Blanket Plan” form offered in Utah through the Alpine School District.

6. In their May 2, 2022, and May 16, 2022, responses to the Department’s requests for information, the Respondent reported they had seventy-nine (79) current Utah certificate holders covered under the Alpine School District policy, and nine percent of Utah student accident insureds (certificate holders) under the ACE USA Accident & Health Trust, domiciled in District of Columbia, were covered under the Alpine School District policy. The group policy holder exists for the purpose of administering group “blanket” insurance plans.

7. The Respondent indicated they did not realize the plans issued to a non-resident policy holder had to be filed in Utah but has since attempted to remedy this misunderstanding. On April 7, 2022, Respondent filed their Blanket Student Accident Insurance Policy, Form AH-11648a-UT (2022), which was filed for use with the Department on November 22, 2022.

8. As a result of the Respondent’s violations, the Department and Respondent have agreed to an administrative forfeiture of \$79,000.00.

### **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 pursuant to Utah Code § 31A-2-308.

3. Respondent violated Utah Code § 31A-21-201 and R590-220-2 when it sold Blanket Student Accident Insurance Plans to Utah consumers through the Alpine School District using contract forms that were not filed for use with the Department.

4. As a penalty for the violations in this case, Respondent should be ordered to pay a forfeiture of \$79,000.00.

### **ORDER**

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

1. Respondent shall pay a forfeiture of \$79,000.00 for the violations described in the Conclusions of Law. The forfeiture shall be paid in full to the Department no later than 30 days after this order is signed.
2. Respondent is ordered not to commit the violations described in the Conclusions of Law in the future.

DATED this 18<sup>th</sup> day of January 2023.

JONATHAN T. PIKE  
Utah Insurance Commissioner

/s/ Donald H. Hansen  
Donald H. Hansen  
Administrative Law Judge/Presiding Officer  
Utah Insurance Department  
4315 South 2700 West, Suite 2300  
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## **NOTICE TO RESPONDENT**

Failure to obey this Order may subject you to further penalties that include a forfeiture of up to \$2,500 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 in those jurisdictions.

**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 electronically mailed to:

Ace American Insurance Company

[REDACTED]  
[REDACTED]  
[REDACTED]

Christian M. Holmwood  
Representative for the Respondent

[REDACTED]  
[REDACTED]  
[REDACTED]

and

Shelley A. Coudreaut  
Assistant Attorney General  
[sacoudreaut@agutah.gov](mailto:sacoudreaut@agutah.gov)

DATED this 18<sup>th</sup> day of January 2023.

/s/ Jeanine Couser

Jeanine Couser  
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