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**BEFORE THE UTAH INSURANCE COMMISSIONER**

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| UTAH INSURANCE DEPARTMENT,<br><br>Complainant,<br><br>vs.<br><br>PHILADELPHIA AMERICAN LIFE<br>INSURANCE COMPANY,<br><br>Respondent. | NOTICE OF AGENCY ACTION AND<br>ORDER<br><br>Docket No. 2023-4530<br><br>Donald H. Hansen<br>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 Philadelphia American 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 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 -7.

**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 \$1,000.00 within thirty days of this order.

2. Respondent is ordered not to commit the violations described in the Declaration in the future.

3. Pursuant to Utah Code § 63G-4-203(1)(i) and Utah Admin. Code R590-160-7(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.

4. A request for a hearing shall be in writing and sent by email to [uidadmincases@utah.gov](mailto:uidadmincases@utah.gov) or by U.S. mail to Office of the Administrative Law Judge, Utah Insurance Department, 4315 S. 2700 W., Suite 2300, Taylorsville, UT 84129.

5. The request for hearing shall be signed by the person making the request and shall state the basis for the relief requested.

6. 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 3<sup>rd</sup> Day of July, 2023

JONATHAN T. PIKE  
Utah Insurance Commissioner

*s/ Donald H. Hansen*

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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](mailto:uidadmincases@utah.gov)

### **NOTICE REGARDING ENFORCEMENT OF THE ORDER**

Failure to obey this 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 being 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.

## **DECLARATION**

Under criminal penalty of Utah law, I, Kathleen Jaques, 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 Agency Action and Order against Philadelphia American 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 a life insurer domiciled in Texas and authorized to do the business of insurance in Utah under license number 862.

b. Pursuant to Utah Admin. Code r.590-146-14, r.590-146-22, r.590-220(6)(1), and R590-220-11(4), Respondent is required to electronically file its annual Medicare Supplement Refund or Credit Calculation Report, its Premium Rates Report, its 2010 Medicare Supplement Rate and Enrollment Data (as applicable), and its Multiple Policies Report annually, together as one filing, on or before May 31<sup>st</sup> of the following year.

c. On May 31, 2022, Respondent submitted its 2021 report filing under SERFF tracking number NELI-133276748 to the Department.

d. The filing was rejected by the Department on June 14, 2022, due to noncompliant provisions.

e. On June 15, 2022, June 27, 2022, and July 5, 2022, Heidi Clausen, Assistant Division Director of the Department’s health and life division, sent objection letters to the Respondent

outlining the noncompliant filing provision submitted by the Respondent, and requested a response from the Respondent by July 12, 2022.

f. Respondent failed to respond to the Department's request by July 12, 2022. On July 14, 2022, the Department rejected the Respondent's filings.

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

h. As a result, Respondent failed to file the compliant reports on or before May 31, 2022.

i. On July 19, 2022, Respondent re-submitted its filing under SERFF tracking number NELI-133336903. The new filing was again non-compliant, and the Department issued an objection letter outlining the non-compliant provisions on July 27, 2022, and again on August 17, 2022.

j. The Respondent resubmitted its corrected filing, which was marked as "received" on August 24, 2022.

k. Respondent has had a similar violation in the past. Respondent was assessed a Private Letter of Admonition in 2021 for failing to file the annual Medicare reports for 2020 on or before May 31, 2021.

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

a. Respondent violated Utah Admin. Code r.590-146-14 (B) and (C), by failing to electronically file its annual Medicare Supplement Refund or Credit Calculation Report and its Premium Rates Report on or before May 31, 2022;

b. Respondent violated Utah Admin. Code r.590-146-22, by failing to electronically file its annual Multiple Policies Report on or before May 31, 2022; and

c. Respondent violated Utah Admin. Code r.590-220-11(4), by failing to electronically file its annual 2010 Medicare Supplement Rate and Enrollment Data (as applicable), on or before May 31, 2022.

5. Based on Utah Code § 31A-2-308 and other similar enforcement cases, the proper forfeiture for the violations should be \$1,000.00.

DATED this 27th day of June 2023, at Salt Lake City, Salt Lake County, Utah.

/s/ Kathleen Jaques

Kathleen Jaques, 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 sent to:

Philadelphia American Life Insurance Company

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

and

Kathleen Jaques  
Utah Insurance Department  
4315 S. 2700 W., Suite 2300  
Taylorsville, UT 84129

[REDACTED]

DATED this 3<sup>rd</sup> day of June 2023.

/s/Tatiana Karaivanova

Tatiana Karaivanova  
Utah Insurance Department  
4315 South 2700 West, Suite 2300  
Taylorsville, UT 84129  
801-957-9321