



OFFICE OF INSURANCE REGULATION

KEVIN M. McCARTY
COMMISSIONER



IN THE MATTER OF:

AETNA LIFE INSURANCE COMPANY

CASE NO.: 83894-05-CO

Life and Health Market Investigation

CONSENT ORDER

THIS CAUSE came on for consideration as the result of an agreement between **AETNA LIFE INSURANCE COMPANY** (hereinafter referred to as "**AETNA LIFE**") and the **OFFICE OF INSURANCE REGULATION** (hereinafter referred to as the "**OFFICE**"). Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the **OFFICE** hereby finds as follows:

1. The **OFFICE** has jurisdiction over the subject matter of, and parties to, this proceeding.
2. **AETNA LIFE** is a foreign life insurance company authorized to transact life and health insurance business in Florida, and is subject to the jurisdiction and regulation of the **OFFICE** pursuant to the Florida Insurance Code.
3. The **OFFICE** has conducted an investigation of **AETNA LIFE** pursuant to Section 624.318, Florida Statutes. As a result of such investigation, the **OFFICE** has determined that **AETNA LIFE** committed the following violations of the Florida Statutes and the Florida

Administrative Code, with respect to the failure to file with the **OFFICE** changes in procedures used in underwriting small group business:

a. Section 627.410(6), Florida Statutes – changes in rating manual (in this case, changes in the use of health questionnaires) must be filed.

b. Rule 69O-149.037(6)(a)3., Florida Administrative Code – the criteria and standards for rate adjustment (in this case, changes in the use of health questionnaires) shall be filed for approval.

4. **AETNA LIFE** expressly waives a hearing in this matter, the making of Findings of Fact and Conclusions of Law by the **OFFICE**, and all further and other proceedings herein to which the parties may be entitled by law or rules of the **OFFICE**. **AETNA LIFE** hereby knowingly and voluntarily waives all rights to challenge or to contest this Order, in any forum now or in the future available to it, including the right to any administrative proceeding, circuit or federal court action, or any appeal.

5. **AETNA LIFE** agrees that the failure to adhere to one or more of the terms and conditions of this Order shall constitute a violation of a lawful order of the **OFFICE**, and shall subject **AETNA LIFE** to such administrative action as the **OFFICE** may deem appropriate.

6. **AETNA LIFE** agrees that upon the execution of this Consent Order, it shall be subject to the following terms and conditions:

a. **AETNA LIFE** shall pay a penalty of Fifteen Thousand Dollars (\$15,000.00) and administrative costs of One Thousand Five Hundred Dollars (\$1,500.00) on or before the 30th day after this Consent Order is executed.

b. **AETNA LIFE** shall provide to the **OFFICE**, on or before the 30th day after this Consent Order is executed, documentation certified by an officer of the Company to be true

and correct, that future changes in rating methodology for small groups will be filed with the **OFFICE** for approval.

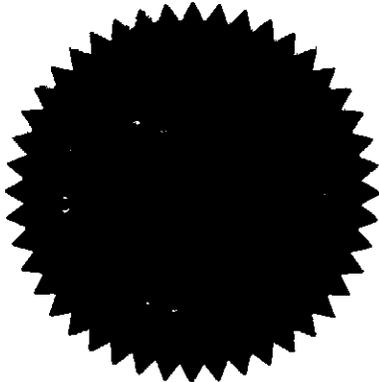
c. **AETNA LIFE** is hereby placed on notice of the requirements of the above-referenced sections of law and agrees that any future violations of these sections by **AETNA LIFE** may be deemed willful, subjecting **AETNA LIFE** to appropriate penalties.

7. Except as noted above, each party to this action shall bear its own costs and attorney's fees.

THEREFORE, the agreement between **AETNA LIFE** and the **OFFICE**, the terms and conditions of which are set forth above, is approved.

FURTHER, all terms and conditions above are hereby **ORDERED**.

DONE AND ORDERED this 25TH day of JULY, 2007.





Kevin M. McCarty
Commissioner
Office of Insurance Regulation

By execution hereof AETNA LIFE INSURANCE COMPANY consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents, pursuant to Section 624.310, Florida Statutes, that he/she has the authority to bind AETNA LIFE INSURANCE COMPANY to the terms and conditions of this Consent Order.

AETNA LIFE INSURANCE COMPANY

By: _____

Gregory S. Martino
Print or Type Name

Corporate Seal

Title: Vice President

Date: 7-9-07

STATE OF Pennsylvania

COUNTY OF Montgomery

The foregoing instrument was acknowledged before me this 9th day of July 2007,

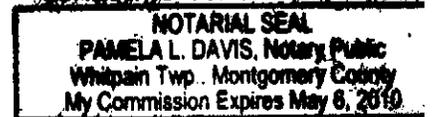
by Gregory S. Martino as Vice President
(Name of person) (type of authority.... e.g. officer, trustee attorney in fact)

for Aetna Life Insurance Company
(Company name)

(Signature of the Notary)

(Print, Type or Stamp Commissioned Name of Notary or Person Name)

Personally Known X or Produced Identification _____
Type of Identification Produced _____



[NOTARIAL SEAL]

My Commission Expires:

COPIES FURNISHED TO:

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