



THE TREASURER OF THE STATE OF FLORIDA
DEPARTMENT OF INSURANCE

BILL NELSON

IN THE MATTER OF:

CASE NO: 35190-00-CO

CONSECO SENIOR HEALTH INSURANCE COMPANY
(f/k/a American Travellers Life Insurance Company)
Life and Health Market Conduct Examination Report

CONSENT ORDER

THIS CAUSE came on for consideration as the result of an agreement between **CONSECO SENIOR HEALTH INSURANCE COMPANY** hereinafter referred to as "**CONSECO SENIOR**" and the **FLORIDA DEPARTMENT OF INSURANCE**, hereinafter referred to as the "**DEPARTMENT**". Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the Treasurer and Insurance Commissioner, as head of the **FLORIDA DEPARTMENT OF INSURANCE**, hereby finds as follows:

1. The Treasurer and Insurance Commissioner, as head of the **DEPARTMENT**, has jurisdiction over the subject matter of, and parties to, this proceeding.
2. **CONSECO SENIOR** is a foreign insurer authorized to transact insurance business in Florida and is subject to the jurisdiction and regulation of the **DEPARTMENT** pursuant to the Florida Insurance Code.

3. The **DEPARTMENT** conducted a market conduct examination of **CONSECO SENIOR** covering the period January 1, 1996 through December 31, 1998, pursuant to Section 624.3161, Florida Statutes. As a result of such examination, the **DEPARTMENT** determined that **CONSECO SENIOR** committed the following violations of the Florida Statutes and Florida Administrative Code:

A. Failure to timely notify existing insurer of replacement, to retain copies, and to list on register, in violation of Rules 4-157.016(4) and 4-151.007, Florida Administrative Code.

B. Failure to adjust life claims in accordance with contract, in violation of Section 626.9541(1)(i)(2), Florida Statutes.

C. Failure to pay interest according to Florida Statutes, in violation of Section 627.4615, Florida Statutes.

4. **CONSECO SENIOR** is directed to review all life claims from January 1, 1996 to present and pay interest from the date of death as stated in the policy and according to Section 626.9541(1)(i)(2), Florida Statutes.

5. **CONSECO SENIOR** is further directed to pay statutory interest for all payments not made within thirty (30) days according to Section 627.4615, Florida Statutes.

6. Within sixty (60) days of the issuance of this consent order **CONSECO SENIOR** will have an officer send a certified report demonstrating compliance with paragraphs four (4) and five (5) and providing the number of claim adjustments and the total value of all claim adjustments.

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

8. **CONSECO SENIOR** 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 **DEPARTMENT**, and shall subject **CONSECO SENIOR** to such administrative action as the Treasurer and Insurance Commissioner may deem appropriate.

9. **CONSECO SENIOR** agrees that upon the execution of this Consent Order it shall be subject to the following terms and conditions:

(a) **CONSECO SENIOR** shall pay a penalty of \$4,500.00 and administrative costs of \$1,000.00 on or before the 30th day after this Consent Order is executed.

(b) **CONSECO SENIOR** shall henceforth comply with all of the provisions of the Insurance Code and will implement the recommendations contained in the report within 60 days of entry of this Consent Order.

(c) **CONSECO SENIOR** 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 **CONSECO SENIOR** may be deemed willful, subjecting **CONSECO SENIOR** to appropriate penalties.

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

11. THEREFORE, the agreement between **CONSECO SENIOR** and the **DEPARTMENT**, 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 21st day of September, 2000.



Bill Nelson
State Treasurer
and Insurance Commissioner

By execution hereof **CONSECO SENIOR HEALTH INSURANCE COMPANY** consents to entry of this Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. I am authorized to execute this document.

CONSECO SENIOR HEALTH INSURANCE COMPANY

By:

Title: Senior Vice President

Date: July 17 2000

COPIES FURNISHED TO:

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