

FILED

MAR 10 2011



Docketed by: KP

OFFICE OF INSURANCE REGULATION

KEVIN M. McCARTY
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 112336-10

MARKEL INSURANCE COMPANY

CONSENT ORDER

THIS CAUSE came on for consideration as the result of an agreement between MARKEL INSURANCE COMPANY (hereinafter referred to as "MARKEL") 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. MARKEL is a foreign property and casualty insurer authorized to transact accident 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 conducted an investigation of MARKEL's accident and health business pursuant to Section 624.318, Florida Statutes. As a result of such investigation, the OFFICE has determined that MARKEL incorrectly enrolled members on a form that differed from that which was filed with the OFFICE for informational purposes; MARKEL entered into written agreements with entities that were not properly licensed to do business in Florida; MARKEL accepted applications from individuals who were not properly licensed and appointed; and

MARKEL is a featured carrier for Homeland Healthcare, whose website includes misleading information regarding limited coverage plans costing less than medical plans with no sacrifice in coverage. Therefore, MARKEL committed the following violations of the Florida Insurance Code:

a. Section 627.6515(4), Florida Statutes – Prior to solicitation in this state, a copy of the form of the certificate evidencing coverage that will be issued to residents of this state shall be filed with the OFFICE for informational purposes.

b. Section 627.6515(5), Florida Statutes – Prior to solicitation in this state, an officer of the insurer shall truthfully certify to the OFFICE that the policy and certificates evidencing coverage have been reviewed and approved by the state in which the group policy is issued.

c. Section 624.418(2)(a), Florida Statutes – Has violated any lawful order or rule of the OFFICE or commission or any provision of this Code.

d. Section 626.112(1)(a), Florida Statutes – Accepting insurance applications from individuals who were not properly licensed and appointed.

e. Section 626.9541(1)(a)1, Florida Statutes – Misrepresentation of the benefits, advantages, conditions, or terms of an insurance policy.

4. MARKEL expressly waives a hearing in this matter, as well as the making of findings of fact and conclusions of law by the OFFICE and all further and/or other proceedings to which the parties may be entitled, either by law or by rules of the OFFICE. MARKEL 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.

5. MARKEL agrees that 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 MARKEL to such administrative action as the OFFICE may deem appropriate.

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

a. MARKEL shall, within thirty (30) days of execution of this Consent Order, pay a fine of Forty Thousand Dollars (\$40,000.00) and administrative costs of Three Thousand Dollars (\$3,000.00) to the OFFICE.

b. MARKEL shall, within thirty (30) days of execution of this Consent Order, pay the difference in benefits to all affected individuals.

c. MARKEL shall, within thirty (30) days of execution of this Consent Order, provide a certification to the OFFICE that it has notified all affected policyholders providing them the opportunity to submit additional claims for payment.

d. MARKEL shall, within sixty (60) days of execution of this Consent Order, provide a detailed report to the OFFICE, certified by an officer of the company to be true and correct, confirming that MARKEL has paid additional benefits to affected policyholders where applicable. This report will include: the policyholder name, policy number, effective date, termination date, additional payments made with interest, and date of payment.

e. MARKEL shall, within thirty (30) days of the execution of this Consent Order, provide the OFFICE with revised policies and procedures MARKEL has implemented to ensure that health insurance applications will only be accepted from properly licensed and appointed agents.

f. MARKEL shall, within ninety (90) days of the execution of this Consent Order, implement procedures to ensure all of its advertising and marketing materials for health insurance products do not contain misleading information.

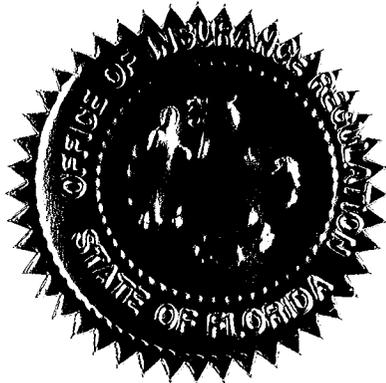
7. MARKEL is hereby placed on notice of the requirements of the above referenced sections of law and agrees that any future violations may be deemed willful, subjecting MARKEL to the appropriate penalties associated therewith.

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

THEREFORE, the agreement between MARKEL 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 10 day of March, 2011.





Kevin M. McCarty
Commissioner
Office of Insurance Regulation

By execution hereof MARKEL 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 MARKEL INSURANCE COMPANY to the terms and conditions of this Consent Order.

MARKEL INSURANCE COMPANY

By:

[Handwritten Signature]

mark nichols
Print or Type Name

Title: managing director

Date: February 28, 2011

Corporate Seal

STATE OF Virginia

COUNTY OF City of Richmond

The foregoing instrument was acknowledged before me this 28th day of February 2011,

by mark nichols as managing director
(Name of person) (type of authority... e.g. officer, trustee attorney in fact)

for markel insurance company
(company name)

[Handwritten Signature]
(Signature of the Notary)

Kathryn J Sanno
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known or Produced Identification _____
Type of Identification Produced _____

[NOTARIAL SEAL]

My Commission Expires: January 31, 2014

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COPIES FURNISHED TO:

FRANCIS CROWLEY, PRESIDENT

Markel Insurance Company
4521 Highwoods Parkway
Glen Allen, VA 23060

PAUL BROUGHTON, DIRECTOR, MARKETING AND ADMINISTRATION

Markel Insurance Company
4600 Cox Road
Glen Allen, VA 23060

KELLY CRUZ-BROWN, ATTORNEY

Carlton Fields
215 S. Monroe Street, Suite 500
Tallahassee, FL 32301-1866

ANOUSH BRANGACCIO, INTERIM DIRECTOR

Florida Office of Insurance Regulation
Market Investigations
200 East Gaines Street, Room 216E
Tallahassee, Florida 32399-4210

AMANDA ALLEN, ASSISTANT GENERAL COUNSEL

Florida Office of Insurance Regulation
Legal Services Office
200 East Gaines Street
Tallahassee, FL 32399