



THE TREASURER OF THE STATE OF FLORIDA
DEPARTMENT OF INSURANCE

FILED

JUN 28 2002

TREASURER AND
INSURANCE COMMISSIONER
Dictated by: *CPR*

TOM GALLAGHER

IN THE MATTER OF:

CASE NO: 60101-01-CO

UNITED HEALTHCARE INSURANCE COMPANY
Target Market Conduct Examination As Of December 31, 2000

CONSENT ORDER

THIS CAUSE came on for consideration as the result of an agreement between **UNITED HEALTHCARE INSURANCE COMPANY** hereinafter referred to as "UHC" 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 **DEPARTMENT** hereby finds as follows:

1. The **DEPARTMENT** has jurisdiction over the subject matter of, and parties to, this proceeding.
2. **UHC** 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** has conducted an examination of **UHC's AARP Insurance Division**, pursuant to Section 624.3161, Florida Statutes. As a result of such examination, the **DEPARTMENT** preliminarily determined that **UHC** committed the following violations of the Florida Statutes:

a. Sections 627.6741(4) and 627.6645(4), Florida Statutes – Failure to promptly return unearned premium computed on a pro rata basis.

b. Section 624.318(2), Florida Statutes – Failure to make records and documents relating to the examination freely available to the examiner.

4. UHC requested a formal hearing in this matter, and contested the Findings of Fact and Conclusions of Law preliminarily determined by the DEPARTMENT. UHC denies any violation of law.

5. UHC and the DEPARTMENT have agreed to settle this matter as follows:

a. UHC will begin, as of June 1, 2002, manually refunding that portion of the monthly premium under its AARP group products for cancellations occurring during the month due to the death of the insured, on a pro rata or short rate table (filed with and approved by the DEPARTMENT) basis, determined from the date of the insured's death for any death of the insured reported to UHC;

b. UHC will begin, as of January 1, 2003, manually refunding that portion of the monthly premium under its AARP group products for cancellations occurring during the month, at the voluntary request of an insured, determined on a pro rata or short rate table (filed with and approved by the DEPARTMENT) basis, from the later of the date that the insured requests that the policy be cancelled or a date specified by the insured.

c. From the date of this Consent Order until April 1, 2003, if the Department receives any information indicating that an insured's unearned premium was not paid in accordance with this order, such claims will be referred to UHC to be paid as provided in paragraphs (a) and (b) above. The Department shall not allege any violation, or attempt to levy any fine or sanction for such claims referred to and paid by UHC.

d. After April 1, 2003, the Department may allege a violation of law and seek appropriate fines or sanctions if an insured's unearned premium is not paid in accordance with this Order;

e. Refunds under a de minimus amount of ten dollars (\$10.00) need not be made;

f. The Department shall not levy any fine or sanction or require any remedy other than those set forth in this Consent Order for violations alleged in its Target Market Conduct Examination of December 31, 2000.

6. UHC 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 UHC to such administrative action as the DEPARTMENT may deem appropriate.

7. The parties agree that this Consent Order will be deemed to be executed when the agency head or his designee has signed a copy of this Order bearing the signature of UHC or its authorized representative, notwithstanding the fact that the copy was transmitted to the agency by facsimile machine.

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

THEREFORE, the agreement between UHC and the DEPARTMENT, consisting of 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 28TH day of JUNE, 2002.



KEVIN MCCARTY

Deputy Insurance Commissioner

By execution hereof UNITED HEALTHCARE 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.

UNITED HEALTHCARE INSURANCE COMPANY

By: _____

Print or type name

Title: General Counsel

Date: 6-17-2002

Corporate Seal

COPIES FURNISHED TO:

Ronald Brian Colby, President
United HealthCare Insurance Company
9900 Bren Road East
Minnetonka, MN 55343

Seann M. Frazier, Esquire
Greenberg Traurig, P.A.
101 East College Avenue
Tallahassee, Florida 32301

Steve Roddenberry, Deputy Director
Division of Insurer Services
200 East Gaines Street
Tallahassee, Florida 32399-0347

Joe Finnegan, Bureau Chief
Division of Insurer Services
Bureau of Market Conduct
200 East Gaines Street
Tallahassee, Florida 32399-0347

Michelle Newell, Division Director
Division of Insurer Services
200 East Gaines Street
Tallahassee, Florida 32399-0347

Jack McDermott
Management Review Specialist
Market conduct Section
200 East Gaines Street, Room 316A
Tallahassee, Florida 32399-0327

Dennis K. Threadgill
Executive Senior Attorney
Division of Legal Services
200 East Gaines Street
Tallahassee, Florida 32399-0333