

LAWRENCE G. WASDEN
Attorney General

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AUG 03 2012

Department of Insurance
State of Idaho

A. RENÉ MARTIN – I.S.B. No. 3188
Deputy Attorney General
Idaho Department of Insurance
P.O. Box 83720
Boise, Idaho 83720-0043
Telephone: (208) 334-4204
Fax: (208) 334-4298
rene.martin@doi.idaho.gov

Attorneys for Idaho Department of Insurance

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE
OF THE STATE OF IDAHO**

In the Matter of:

Docket No. 18-2772-12

AMERICAN PUBLIC LIFE INSURANCE
COMPANY,

CONSENT ORDER

Idaho Certificate of Authority No. 3653
NAIC ID No. 60801.

COME NOW the State of Idaho, Department of Insurance (Department), by and through its counsel, A. René Martin, Deputy Attorney General, and American Public Life Insurance Company (APLIC), and hereby stipulate and agree as follows:

1. APLIC is a licensed insurance company in Idaho, holding Idaho Certificate of Authority No. 3653 since October 24, 2005. Such certificate of authority authorizes APLIC to engage in Idaho in the business of life insurance and disability insurance, excluding managed care.

2. Rule 18.01.06 of the rules promulgated by the Department pursuant to the Idaho Insurance Code, title 41, Idaho Code, is entitled "Rule to Implement Uniform Coverage for

Newborn and Newly Adopted Children.” Such rule is found in the Idaho Administrative Code at IDAPA 18.01.06. Paragraph 18.01.06.001.02. of the rule provides that such rule “sets forth uniform requirements to be followed by health plans providing coverage to newborn and newly adopted children in accordance with Sections 41-2140, 41-2210, 41-3437, 41-3923, 41-4023 and 41-4123, Idaho Code.”

3. Section 012.01. of Rule 18.01.06 is labeled “Notification and Payment.” Paragraphs a. and b. of that section provide as follows:

01. Notification and Payment.

- a.** If notice and payment of additional premium are required for dependent coverage under the health plan contract, the contract may require notice of birth, placement or adoption and payment of required premium as a condition of coverage for newborn and newly adopted children. The notification period shall be not less than sixty (60) days from the date of birth for a newborn child or, for newly adopted children, sixty (60) days from the earlier of the date of adoption or placement for adoption. The due date for payment of any additional premium, if required, shall be not less than thirty-one (31) days following receipt by the health plan member of a billing for the required premium.
- b.** All requirements for notice and payment of premium applied by the health plan for the enrollment of newborn or newly adopted children shall be clearly set forth in the health plan contract and provided to the health plan members in a manner reasonably calculated to provide notice to the members of the requirements.

4. APLIC’s policy form SELECT DENTAL II (4/05) ID filed with the Department includes the requirement that insureds under such plans provide notice to APLIC of birth, placement, or adoption. Such forms also include the requirement of payment of additional premium as a condition of coverage for newborn and newly adopted children.

5. However, for the period from July 1, 2008 to June 7, 2012, APLIC’s policy form SELECT DENTAL II (4/05) ID filed with the Department failed to include notice of the

thirty-one (31) day minimum period for payment of additional required premium as a condition of coverage for newborn and newly adopted children, after the insured health plan members had received billing from APLIC for the additional premium due. Such failure constituted violations of Rule 18.01.01.012.01.a. and –b.

6. APLIC admits to such violations of Rule 18.01.06.012.01.a. and –b., extending over the time period from July 1, 2008 to June 7, 2012. Further, APLIC represents that during such time period it issued twenty (20) policies in Idaho that were in violation of Rule 18.01.06.012.01.a. and –b. as referenced herein.

7. The Department acknowledges that APLIC corrected such violations as of June 7, 2012.

8. On June 13, 2012, APLIC provided to the Department a notarized statement representing that no Idaho dependents covered under its policies were harmed due to its noncompliance with Rule 18.01.06.012.01.a. and –b. during the time period from July 1, 2008 to June 7, 2012. The Department relies on such representation in entering into this Consent Order.

9. After becoming aware of the non-compliant forms APLIC had filed with the Department as referenced in paragraphs 4 through 6 above, APLIC conducted its own internal review and located three (3) additional non-compliant forms, which were forms CPA-2200, CPM-2000, and HI2200ID. APLIC alerted the Department to such non-compliant filings. As of the date of this Consent Order, APLIC has corrected such forms and refiled them with the Department. The Department finds such forms now in compliance with applicable Idaho law.

SANCTION

10. As a sanction for all violations referenced above, the Department and APLIC agree that APLIC shall pay to the Department an administrative penalty in the amount of five thousand dollars (\$5,000) by no later than August 10, 2012.

11. APLIC agrees that in the future it will comply with all requirements of the Idaho Insurance Code and rules promulgated thereunder, and specifically with all requirements relating to its policies filed with the Department.

12. APLIC acknowledges that this is an administrative action that may be required to be reported on Department licensing applications and license renewal forms.

13. This Consent Order constitutes full and final resolution of all matters addressed herein, and the Department agrees that upon APLIC's execution of this Consent Order and its full compliance with all terms and conditions set forth herein, the Department shall seek no further sanctions for the violations addressed herein.

DATED this 30th day of July, 2012.

AMERICAN PUBLIC LIFE INSURANCE
COMPANY

By: *Dianne Aycock*

Title: VP Administration

DATED this 3rd day of August, 2012.

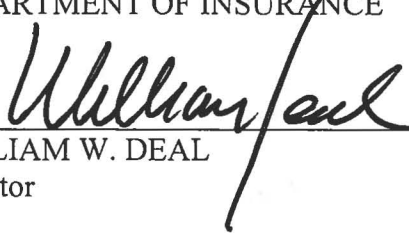
STATE OF IDAHO
DEPARTMENT OF INSURANCE

Georgia Siehl
GEORGIA SIEHL
Bureau Chief, Company Activities

IT IS SO ORDERED.

DATED this 3rd day of August, 2012.

STATE OF IDAHO
DEPARTMENT OF INSURANCE



WILLIAM W. DEAL
Director

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 3rd day of August, 2012, I caused a true and correct fully-executed copy of the foregoing CONSENT ORDER to be served on the following by the designated means:

American Public Life Insurance Company
Attn: Ashlie Snyder, Compliance Analyst I
2000 N. Classen Blvd.
Oklahoma City, OK 73160

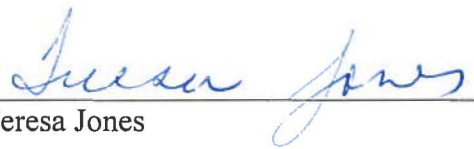
- first class mail
- certified mail
- hand delivery
- via facsimile

American Public Life Insurance Company
2305 Lakeland Drive
Jackson, MS 39232

- first class mail
- certified mail
- hand delivery
- via facsimile

A. René Martin
Deputy Attorney General
Idaho Department of Insurance
700 W. State Street, 3rd Floor
P.O. Box 83720
Boise, ID 83720-0043

- first class mail
- certified mail
- hand delivery
- via facsimile



Teresa Jones