

LAWRENCE G. WASDEN
Attorney General

THOMAS A. DONOVAN
Deputy Attorney General
Idaho Department of Insurance
700 West State Street
P.O. Box 83720
Boise, ID 83720-0043
Telephone: (208) 334-4204
Facsimile: (208) 334-4298
ISB No. 4377

FILED *ry*

MAY 27 2010

**Department of Insurance
State of Idaho**

Attorneys for Department of Insurance

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

In the Matter of:

LINCOLN HERITAGE LIFE
INSURANCE COMPANY,

Certificate of Authority No. 1099
NAIC ID No. 65927

Docket No. 18-2625-10

**ORDER GRANTING WITHDRAWAL
FROM MEDICARE SUPPLEMENT
MARKET**

WHEREAS, LINCOLN HERITAGE LIFE INSURANCE COMPANY ("LINCOLN HERITAGE") notified the Idaho Department of Insurance (the "Department") by letter dated May 14, 2010, that LINCOLN HERITAGE intends to discontinue marketing Medicare Supplement policies, specifically, all of its 1990 standardized Medigap policies, in Idaho after May 31, 2010; and

WHEREAS, LINCOLN HERITAGE has represented to the Department that it will renew and service all its existing in-force Medicare Supplement contracts in Idaho, which, as of the

date of LINCOLN HERITAGE's letter, was represented to be 13;

NOW, THEREFORE, IT IS HEREBY ORDERED that, pursuant to IDAPA 18.01.54.030.04.a, LINCOLN HERITAGE is permitted to withdraw from the Medicare Supplement market in Idaho effective thirty days from its notice, which is June 13, 2010.

IT IS HEREBY FURTHER ORDERED that LINCOLN HERITAGE shall not file a new policy form or certificate form of the same type for the same standard Medicare supplement benefit plan as the discontinued forms or offer such products in Idaho prior to May 14, 2015, pursuant to IDAPA 18.01.54.030.04.b.

NOTIFICATION OF RIGHTS

This is a final order of the agency. Any party may file a motion for reconsideration of this final order within fourteen (14) days of the service date of this order. The agency will dispose of the petition for reconsideration within twenty-one (21) days of its receipt, or the petition will be considered denied by operation of law. *See* Section 67-5246(4), Idaho Code.

Pursuant to Sections 67-5270 and 67-5272, Idaho Code, any party aggrieved by this final order or orders previously issued in this case may appeal this final order and all previously issued orders in this case to district court by filing a petition in the district court of the county in which:

- i. A hearing was held,
- ii. The final agency action was taken,
- iii. The party seeking review of the order resides, or operates its principal place of business in Idaho, or
- iv. The real property or personal property that was the subject of the agency action is located.

An appeal must be filed within twenty-eight (28) days of (a) the service date of this final order, (b) an order denying petition for reconsideration, or (c) the failure within twenty-one (21)

days to grant or deny a petition for reconsideration, whichever is later. *See* Section 67-5273, Idaho Code. The filing of an appeal to district court does not itself stay the effectiveness or enforcement of the order under appeal.

DATED and EFFECTIVE this 27th day of May 2010.



WILLIAM W. DEAL, Director
Idaho Department of Insurance

CERTIFICATE OF SERVICE

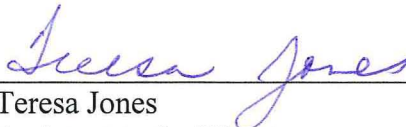
I HEREBY CERTIFY that I have on this 27th day of May 2010, caused a true and correct copy of the foregoing order to be served upon the following by the designated means:

Lincoln Heritage Life Insurance Company
ATTN: Shirley Grossman
4343 East Camelback Road, Suite 400
Phoenix, AZ 85018

☒ first class mail
☐ certified mail
☐ hand delivery
☐ via facsimile

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

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☐ certified mail
☒ hand delivery
☐ via facsimile



Teresa Jones
Assistant to the Director