

LAWRENCE G. WASDEN
Attorney General

A. RENÉ MARTIN – I.S.B. #3188
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

Attorneys for Department of Insurance

FILED 

JAN 11 2012

Department of Insurance
State of Idaho

BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE

STATE OF IDAHO

In the Matter of:

AMERICAN REPUBLIC INSURANCE
COMPANY,

Certificate of Authority No. 9
NAIC ID No. 60836

Docket No. 18-2731-12

**ORDER GRANTING REQUEST FOR
BLOCK NON-RENEWAL AND FOR
WITHDRAWAL FROM THE
INDIVIDUALLY UNDERWRITTEN
COMPREHENSIVE MAJOR MEDICAL
INSURANCE MARKET**

On December 16, 2011, the State of Idaho, Department of Insurance (Department), received from AMERICAN REPUBLIC INSURANCE COMPANY (AMERICAN REPUBLIC) a letter seeking permission to block non-renew all of its individually underwritten comprehensive major medical insurance policies in Idaho, pursuant to Idaho Code § 41-5207(1)(f), effective no sooner than one hundred eighty (180) days after the provision of written notice to policyholders of its intent to non-renew, which change would affect seven (7) policies.

AMERICAN REPUBLIC represents to the Department that it will continue to service all such existing policies during the one hundred eighty (180) day notice period, and thereafter until the policies' scheduled renewal dates following the expiration of the 180-day notice period.

AMERICAN REPUBLIC further represents that it intends to withdraw from the individually underwritten comprehensive major medical insurance market in Idaho and acknowledges that, pursuant to Idaho Code § 41-5207(2), it will be prohibited from offering and writing any new such business in the individual market in Idaho for five years from the date of its December 16, 2011, letter to the Department referenced above.

The proposed block non-renewal complies with the notice requirements to the Department's Director as set forth in Idaho Code §§ 41-1841(1) and 41-5207(1)(f).

The Director, having reviewed the foregoing and the requirements of Idaho Code §§ 41-1841 and 41-5207, and good cause appearing therefor;

NOW THEREFORE, IT IS HEREBY ORDERED that AMERICAN REPUBLIC is authorized, pursuant to Idaho Code §§ 41-1841 and 41-5207(1)(f), to effectuate a block non-renewal of all of its individually underwritten comprehensive major medical policies in Idaho, which change will affect seven (7) policies, beginning no sooner than one hundred eighty (180) days after the provision of written notice to policyholders of its intent to non-renew. FURTHER, AMERICAN REPUBLIC shall provide reasonable notice of not less than one hundred eighty (180) days to policyholders affected by the non-renewals authorized by this order in accordance with the notice provisions included in the company's applicable insurance policies and in Idaho Code § 41-5207.

IT IS HEREBY FURTHER ORDERED that AMERICAN REPUBLIC is prohibited from offering and writing any new business in the individually underwritten comprehensive major medical insurance market in Idaho prior to December 16, 2016, pursuant to Idaho Code § 41-5207(2).

THIS ORDER is a final order of the Director and is EFFECTIVE IMMEDIATELY.

NOTIFICATION OF RIGHTS

This is a final order of the Director. 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 Idaho Code § 67-5246(4).*

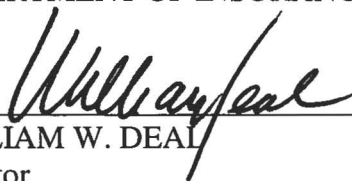
Pursuant to Idaho Code §§ 67-5270 and 67-5272, any party aggrieved by this final order or orders previously issued in this case may appeal this final order and all previously issued orders in this case to district court by filing a petition in the district court of the county in which:

- 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 Idaho Code § 67-5273.* The filing of an appeal to district court does not itself stay the effectiveness or enforcement of the order under appeal.

DATED this 11th day of January, 2012.

STATE OF IDAHO
DEPARTMENT OF INSURANCE



WILLIAM W. DEAL
Director

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on this 11th day of January, 2012, I caused a true and correct copy of the ORDER GRANTING REQUEST FOR BLOCK NON-RENEWAL AND FOR WITHDRAWAL FROM THE INDIVIDUALLY UNDERWRITTEN COMPREHENSIVE MAJOR MEDICAL INSURANCE MARKET to be served upon the following by the designated means:

American Republic Insurance Company
601 Sixth Avenue
Des Moines, IA 50309

- ☒ 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
Assistant to the Director