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Department of Insurance
State of Idaho

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

In the Matter of:

PENN TREATY NETWORK AMERICA
INSURANCE COMPANY,

Certificate of Authority No. 861
NAIC No. 63282.

Docket No. 18-2495-12

**ORDER CONTINUING SUSPENSION OF
CERTIFICATE OF AUTHORITY**

WHEREAS, Certificate of Authority No. 861 issued to PENN TREATY NETWORK AMERICA INSURANCE COMPANY (PENN TREATY), a Pennsylvania-domiciled insurance company licensed for life and disability insurance, excluding managed care, in the state of Idaho under said certificate of authority, has been suspended by the Director of the Idaho Department of Insurance (Director) by orders dated November 25, 2008; January 6, 2010; December 1, 2010; and October 20, 2011, pursuant to provisions of Idaho Code § 41-326 and § 41-327; and

WHEREAS, PENN TREATY was placed into rehabilitation on January 6, 2009, by order of the Commonwealth Court of Pennsylvania, in Cause No. 5 M.D. 2009, based on the Petition

for Rehabilitation of Penn Treaty Network America Insurance Company filed by the Pennsylvania Insurance Commissioner. Thereafter, on May 3, 2012, said court entered an order in the aforesaid cause of action, which order denied a petition filed by the Insurance Commissioner of the Commonwealth of Pennsylvania, acting as Rehabilitator in this action, to place PENN TREATY in liquidation, and declared the court's January 6, 2009 order for rehabilitation to remain in effect. Thus, PENN TREATY remains under such order for rehabilitation as of May 3, 2012, the date of the court's order denying the petition for liquidation.

NOW, THEREFORE, IT IS HEREBY ORDERED, pursuant to Idaho Code § 41-327(3), that Certificate of Authority No. 861 issued to PENN TREATY be CONTINUED IN SUSPENSION, effective immediately, for a period of one (1) year from the date of this order. The Director may terminate the suspension sooner if the cause for said suspension is corrected and PENN TREATY is otherwise in compliance with title 41, Idaho Code.

IT IS FURTHER ORDERED that PENN TREATY comply with the requirements of Idaho Code § 41-329, including § 41-329(2), which provides: "During the suspension period the insurer shall not solicit or write any new business in this state, but shall file its annual statement, pay fees, licenses, and taxes as required under this code, and may service its business already in force in this state, as if the certificate of authority had continued in full force."

IT IS FURTHER ORDERED, pursuant to Idaho Code § 41-330(1), that, within four (4) days after notice of this suspension is provided, PENN TREATY shall notify, by any available means, every person authorized to write business in the state of Idaho by said insurance company, to immediately cease to write any further insurance business for PENN TREATY in Idaho.

IT IS FURTHER ORDERED that, within sixty (60) days of the date of this order, PENN TREATY file with the Director a complete listing of its policies owned by or issued to residents

of the state of Idaho current as of the date of this order, notwithstanding any such listings previously submitted. Such list shall include the name and address of each policyholder and insured, policy type, face amount, and cash surrender value of the policy, as applicable.

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 14th day of September 2012.

STATE OF IDAHO
DEPARTMENT OF INSURANCE



WILLIAM W. DEAL
Director

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on this 17th day of September 2012, I caused a true and correct copy of the foregoing ORDER CONTINUING SUSPENSION OF CERTIFICATE OF AUTHORITY to be served upon the following by the designated means:

Penn Treaty Network America Insurance Co.
3440 Lehigh Street
Allentown, PA 18103-7001


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

Candie Kinch
Idaho Life and Health Guaranty Association
3355 N. Five Mile Road #210
Boise, ID 83713
ckinch@idlifega.org

- ☐ first class mail
☐ certified mail
☐ hand delivery
☒ via email

A. René Martin
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Boise, ID 83720-0043

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



Teresa Jones
Assistant to the Director