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I.S.B. No. 3873



Attorneys for Idaho Department of Insurance

BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE STATE OF IDAHO

In the Matter of:

AMERICAN COMPENSATION INSURANCE COMPANY, an insurer domiciled in Minnesota, doing business in Idaho under Idaho Certificate of Authority No. 3863,

Respondent.

Docket No. 18-3903-21

STIPULATION AND FINAL ORDER

COME NOW the Idaho Department of Insurance ("Department") and AMERICAN COMPENSATION INSURANCE COMPANY (hereinafter "American Compensation"), by and through its undersigned officer, and agree and stipulate as follows:

- 1. American Compensation is a Minnesota-domiciled insurer;
- 2. American Compensation holds Idaho Certificate of Authority No. 3863, originally issued on March 1, 2008, and is authorized to transact casualty insurance in the state of Idaho including workers compensation insurance;
- 3. On April 12, 2021, the Department filed a complaint against American Compensation alleging therein that it is a member of the National Council of Compensation

Insurance, Inc. (hereinafter "NICCI") which is a rating organization within the meaning of chapter 16, title 41, Idaho Code;

- 4. The Department alleged that on October 14, 2014, in accordance with section 41-1614, Idaho Code, the Director entered an *Order Permitting Deviation from 2015 Workers' Compensation Rates*, and that the Order stated that the rate deviation "will take effect on January 1, 2015 and shall remain in effect for one year from the date unless terminated sooner with the approval of the Director";
- 5. The Department alleged that American Compensation not only operated on the approved deviation rates for the year 2015, but continued to use the same deviation rates for years 2016, 2017, 2018, 2019, and 2020;
- 6. The Department also alleged that American Compensation failed to obtain a deviation from the standard rates as required by law for years 2016, 2017, 2018, 2019, and 2020 and, as a result of such failure, American Compensation violated Idaho Code § 41-1614, a total of five (5) times; and,
- 7. American Compensation admits it violated Idaho Code § 41-1614 a total of five(5) times as detailed above.
- 8. In accordance with Idaho Code § 41-1432, the Director is authorized to impose penalties in accordance with Idaho Code § 41-114, which provides that each violation of title 41, Idaho Code, for which a greater penalty is not provided by a separate provision of title 41, Idaho Code, shall be an administrative penalty of not more than \$5,000 for each violation for any person other than an individual or natural person.
- 9. Based on the foregoing, a total administrative penalty of \$5,000 per violation shall be imposed for a total of \$25,000.

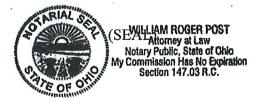
- 10. American Compensation acknowledges the complaint as filed, and American Compensation expressly agrees to the terms of the Order, as set forth below and incorporated herein, and agrees to comply with such terms;
- 11. American Compensation acknowledges that it has had the opportunity to seek the advice of counsel with regard to this Stipulation and Order; and
- 12. American Compensation further acknowledges that it enters into this Stipulation and agrees to the entry of the Order knowingly and voluntarily and hereby waives its various rights in connection therewith, including but not limited to its rights to notice and hearing, and American Compensation further waives its rights to seek reconsideration and judicial review following entry of the attached Order.

AMERICAN COMPENSATION INSURANCE COMPANY, a Minnesota-domiciled insurer, holding Idaho Certificate of Authority No. 3863

by Landia Bleyns
Name: Larissa Blevins
Its: Compliance VP

State of Ohio) ss.
County of Fruklin)

I, William R. Pol, a notary public, do hereby certify that on this 28th day of July, 2021, personally appeared before me, Larissa Blevins, who being by me first duly sworn, declared that s/he is the Comptant VP of AMERICAN COMPENSATION INSURANCE COMPANY, that s/he signed the foregoing instrument as Comptante VP, of the corporation, and that the statements therein contained are true.



Notary Public for the state of ______ My Commission Expires: DATED this 30th day of July, 2021.

IDAHO DEPARTMENT OF INSURANCE

SHANNON HOHI

Bureau Chief

Market Oversight Bureau



FINAL ORDER

In consideration of the Stipulation entered into by the parties hereto, upon review thereof

and in consideration of the premises;

IT IS HEREBY ORDERED, pursuant to chapters 2 and 3, title 41, Idaho Code, that the

foregoing Stipulation is hereby accepted and adopted by the Director, and the same is incorporated

as if fully set forth herein;

IT IS FURTHER ORDERED that within thirty (30) days of the date of entry of this

FINAL ORDER, AMERICAN COMPENSATION INSURANCE COMPANY shall pay to the

Idaho Department of Insurance a total administrative penalty in the amount of \$25,000.00; said

sum shall be made payable and delivered to the Idaho Department of Insurance, PO Box 83720-

0043, Boise, Idaho, 83720-0043.

IT IS SO ORDERED.

DATED and EFFECTIVE this day of August, 2021.

STATE OF IDAHO

DEPARTMENT OF INSURANCE

DEAN L. CAMERON

Director

CERTIFICATE OF SERVICE

 I HEREBY CERTIFY that on this day of Aug of the foregoing fully-executed STIPULATION A wing by the designated means:	9 , ,
American Compensation Insurance Company Larissa Blevins, VP Compliance 518 E. Broad Street Columbus, OH 43215-3901 larissablevins@stateauto.com	 ☐ first class mail ☐ certified mail ☐ hand delivery ☐ via facsimile ☒ via email
John C. Keenan Deputy Attorney General Idaho Department of Insurance 700 W. State Street, 3 rd Floor P.O. Box 83720 Boise, ID 83720-0043	☐ first class mail ☐ certified mail ☐ hand delivery ☐ via facsimile ☐ via email