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I.S.B. No. 3873

FILED
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Department of Insurance
State of Idaho *AM*

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.

13. IT IS SO STIPULATED.

DATED this 28th day of July, 2021.

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

by Larissa Blevins
Name: Larissa Blevins
Its: Compliance VP

State of Ohio)

ss.

County of Franklin)

I, William R. Post, 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 Compliance VP of AMERICAN COMPENSATION INSURANCE COMPANY, that s/he signed the foregoing instrument as Compliance VP, of the corporation, and that the statements therein contained are true.



(SEAL) WILLIAM ROGER POST
Attorney at Law
Notary Public, State of Ohio
My Commission Has No Expiration
Section 147.03 R.C.

[Signature]
Notary Public for the state of _____
My Commission Expires: _____

DATED this 30th day of July, 2021.

IDAHO DEPARTMENT OF INSURANCE

By 
SHANNON HOHL
Bureau Chief
Market Oversight Bureau

10/28/2021 10:00 AM
10/28/2021 10:00 AM
10/28/2021 10:00 AM



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 2 day of August, 2021.

STATE OF IDAHO
DEPARTMENT OF INSURANCE



DEAN L. CAMERON
Director

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 2nd day of August, 2021, I caused a true and correct copy of the foregoing fully-executed STIPULATION AND ORDER to be served upon the following by the designated means:

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, 3rd Floor
P.O. Box 83720
Boise, ID 83720-0043

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



Pamela Murray