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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:)
) Docket No. 18-2511-08
SPECIALTY BENEFITS, INC.,)
an Indiana Corporation.) **STIPULATION AND ORDER**
_____)

STIPULATION

COMES NOW the Department of Insurance, State of Idaho (Department), by and through its counsel, Mitchell E. Toryanski, Deputy Attorney General, and Jim Genetti, Bureau Chief, Consumer Services, for and on behalf of the Department, and SPECIALTY BENEFITS, INC. (SPECIALTY BENEFITS) by and through Paulette Solinski, Vice President, and hereby stipulate and agree as follows:

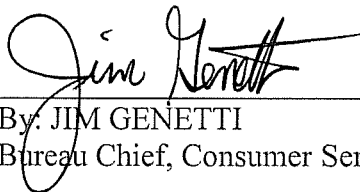
1. SPECIALTY BENEFITS, an Indiana corporation, operates as a third party administrator in Idaho and is therefore subject to the provisions of Title 41, Idaho Code, and to the Rules and Regulations of the Department of Insurance promulgated thereunder.

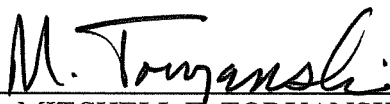
2. SPECIALTY BENEFITS was a licensed third party administrator from November 19, 1999 until January 1, 2005, when its license lapsed due to non-receipt of the required renewal fee.
3. At present, SPECIALTY BENEFITS is not licensed as a third party administrator with the State of Idaho.
4. On or about October 20, 2008, SPECIALTY BENEFITS submitted an application to the Department for a third party administrator license.
5. Between January 1, 2005 and October 20, 2008, SPECIALTY BENEFITS paid out approximately Two Hundred Seventy-four Thousand Dollars (\$274,000) while unlicensed.
6. On or about November 6, 2008, the Department received a letter from Paulette Solinski, Vice President of SPECIALTY BENEFITS and Associate General Counsel with Aon Corporation, which handles licensing for SPECIALTY BENEFITS. Solinski acknowledged that SPECIALTY BENEFITS acted as a third party administrator in the State of Idaho without proper licensure.
7. SPECIALTY BENEFITS admits to acting as an administrator for Hartford/CIGNA, Nationwide Life Insurance and CNA Domestic without being licensed in Idaho. SPECIALTY BENEFITS agrees these actions were in violation of Idaho Code § 41-913(1).
8. SPECIALTY BENEFITS agrees to complete the licensing process within thirty (30) days of the entry of the attached order.
9. SPECIALTY BENEFITS agrees to pay an administrative penalty of Five Thousand Dollars (\$5,000).

10. The Department agrees to forego administrative action to impose additional penalties for violations of Idaho Code § 41-913(1) prior to the entry of the attached order.
11. The parties agree that the terms of this Stipulation are appropriate and proper under the circumstances referenced herein, and that they have entered into this Stipulation knowingly, voluntarily, and with full knowledge of any rights they may be waiving thereby. Additionally, the parties hereby waive the right to seek reconsideration and judicial review of the attached order.

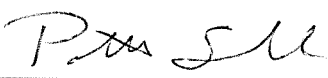
DEPARTMENT OF INSURANCE

STATE OF IDAHO


Dated this 15TH day of January 2009.
By: JIM GENETTI
Bureau Chief, Consumer Services


Dated this 15th day of January 2009.
By: MITCHELL E. TORYANSKI
Deputy Attorney General


SPECIALTY BENEFITS, INC.


Dated this 14TH day of January 2009.
By: PAULETTE SOLINSKI
Vice President

ORDER

IT APPEARING FROM THE FOREGOING THAT GOOD CAUSE EXISTS, IT IS HEREBY ORDERED that the foregoing Stipulation of the parties is adopted and accepted in full and made a part of this Order, effective as of the date executed by the Director.

DATED this 15TH day of January 2009.



WILLIAM W. DEAL
Director

CERTIFICATE OF SERVICE

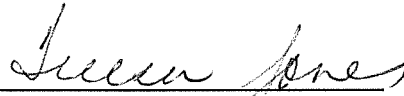
I HEREBY CERTIFY that I have on this 15th day of January 2009, caused a true and correct copy of the foregoing document to be served upon the following by the designated means:

Paulette Solinski
Vice President
Specialty Benefits, Inc.
200 East Randolph St, 8th Floor
Chicago, IL 60601

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

Mitchell E. Toryanski
Deputy Attorney General
700 W. State Street, 3rd Floor
P.O. Box 83720
Boise, ID 83720-0043

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- hand delivery
- via facsimile



Teresa Jones
Assistant to the Director