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**JUN 04 2013**  
Department of Insurance  
State of Idaho

*Attorneys for Department of Insurance*

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

In the Matter of:

MEGA LIFE AND HEALTH INSURANCE  
COMPANY,

Certificate of Authority No. 1545  
NAIC ID No. 97055

Docket No. 18-2866-13

**ORDER GRANTING REQUEST  
TO IMPLEMENT BLOCK  
CANCELLATION AND TO  
WITHDRAW FROM THE  
INDIVIDUAL HEALTH  
INSURANCE MARKET**

On March 6, 2013, the State of Idaho, Department of Insurance (Department), received from MEGA LIFE AND HEALTH INSURANCE COMPANY (MEGA) a request for permission to implement a block cancellation of all of its individual health insurance policies covering Idaho residents, pursuant to Idaho Code § 41-5207(1)(f), effective December 31, 2013, which cancellation would affect approximately nine hundred (900) policies.

MEGA represents to the Department that it will provide a minimum of one hundred eighty (180) days' written notice to its Idaho policyholders of its intent to discontinue the affected policies by providing such notice on or before July 1, 2013.

MEGA further represents that it intends to withdraw from the individual health insurance market in Idaho and acknowledges that, pursuant to Idaho Code § 41-5207(2), it will be prohibited from offering and writing any new business in such market in Idaho for five (5) years from March 6, 2013, the date of MEGA's notice to the Department, as referenced above.

The proposed block cancellation 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 MEGA is authorized, pursuant to Idaho Code §§ 41-1841 and 41-5207(1)(f), to effectuate a block cancellation of all of its individual health insurance policies covering Idaho residents, which cancellation will affect approximately nine hundred (900) Idaho policies, effective December 31, 2013. FURTHER, MEGA shall provide written notice of not less than one hundred eighty (180) days to policyholders affected by the cancellations 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 MEGA is prohibited from offering and writing any new business in the individual health insurance market in Idaho prior to March 6, 2018, 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).*

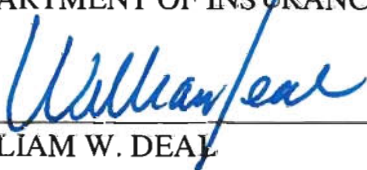
Pursuant to Idaho Code §§ 67-5270 and 67-5272, any party aggrieved by this final order or orders previously issued in this case may appeal this final order and all previously issued orders in this case to district court by filing a petition in the district court of the county in which:

- 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 3<sup>rd</sup> day of June, 2013.

STATE OF IDAHO  
DEPARTMENT OF INSURANCE

  
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WILLIAM W. DEAL  
Director

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that, on this 4th day of June, 2013, I caused a true and correct copy of the ORDER GRANTING REQUEST TO IMPLEMENT BLOCK CANCELLATION AND TO WITHDRAW FROM THE INDIVIDUAL HEALTH INSURANCE MARKET to be served upon the following by the designated means:

MEGA Life and Health Insurance Company  
Attn: Susan A. Luna, Sr. Director & Privacy Official  
Corporate Compliance  
9151 Boulevard 26  
North Richland Hills, TX 76180

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

Richard B. Burleigh  
Deputy Attorney General  
Idaho Department of Insurance  
700 W. State Street, 3<sup>rd</sup> Floor  
P.O. Box 83720  
Boise, ID 83720-0043

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- via facsimile



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Teresa Jones  
Assistant to the Director