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FILED *ry*
SEP 17 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 MODIFYING ORDER
GRANTING REQUEST
TO IMPLEMENT BLOCK
CANCELLATION AND TO
WITHDRAW FROM THE
INDIVIDUAL HEALTH
INSURANCE MARKET**

On June 4, 2013 the Director of the Idaho Department of Insurance (Department), issued an ORDER GRANTING REQUEST TO IMPLEMENT BLOCK CANCELLATION AND TO WITHDRAW FROM THE INDIVIDUAL HEALTH INSURANCE MARKET (the “Original Order”) with regard to MEGA LIFE AND HEALTH INSURANCE COMPANY (“MEGA”) which Original Order affected, at the time of the Original Order, approximately nine hundred (900) policies including a number of policies that had grandfathered status under the federal Affordable Care Act. Based on the representations of the MEGA the request to implement a block cancellation was made in error. Upon reconsideration of this matter, the Director has

determined that it is in the best interest of the policyholders and certificate holders of both non-grandfathered, non-ACA compliant plans and grandfathered plans administered by MEGA and in the best interest of MEGA's with regard to its contractual obligations to policyholders and certificate holders of grandfathered plans to permit MEGA to non-renew non-grandfathered plans, of which there are currently approximately sixty-three (63) such plans, and to continue to administer the grandfathered plans.

NOW THEREFORE IT IS HEREBY ORDERED that the Original Order is withdrawn in its entirety;

IT IS FURTHER ORDERED that in lieu of the Original Order, MEGA is authorized, pursuant to Idaho Code § 41-5207(1)(g), to discontinue and effectuate a block cancellation of all of its non-grandfathered individual health insurance policies covering Idaho residents, effective December 31, 2013;

IT IS FURTHER ORDERED that MEGA shall provide written notice of not less than ninety (90) 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. Prior to sending out such notice letters, MEGA shall be provided a copy to the Director for his review.

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 15TH day of September, 2013.

STATE OF IDAHO
DEPARTMENT OF INSURANCE



WILLIAM W. DEAL
Director

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on this 17th day of September, 2013, I caused a true and correct copy of the ORDER MODIFYING 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

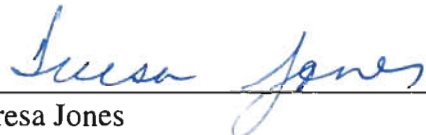
- first class mail
- certified mail
- hand delivery
- via facsimile

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Teresa Jones
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