

FILED
APR 01 2020
Department of Insurance
State of Idaho

BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE

STATE OF IDAHO

In the Matter of:

SENIOR HEALTH INSURANCE
COMPANY OF PENNSYLVANIA

Certificate of Authority No. 1684
NAIC No. 76325

Docket No. 18-3648-20

**ORDER CONTINUING SUSPENSION
OF CERTIFICATE OF AUTHORITY**

Idaho Certificate of Authority No. 1684 issued to SENIOR HEALTH INSURANCE COMPANY OF PENNSYLVANIA ("SENIOR HEALTH"), a Pennsylvania-domiciled insurer licensed to transact life insurance, annuities, and disability insurance, excluding managed care, in the state of Idaho under said certificate of authority, was suspended by the Director of the Idaho Department of Insurance ("Director") by order entered May 15, 2019.

On January 29, 2020, SENIOR HEALTH was placed under an Order of Rehabilitation by the Commonwealth Court of Pennsylvania, in Case No. 1 SHP 2020, based on the petition of the Insurance Commissioner for the Commonwealth of Pennsylvania and the consent of the board of directors of SENIOR HEALTH.

Among other requirements to qualify for and maintain authority to transact insurance in Idaho, pursuant to Idaho Code § 41-313(1), SENIOR HEALTH is required to possess at least One Million Dollars (\$1,000,000) each in paid-up capital stock and additional surplus.

As of September 30, 2019, SENIOR HEALTH possessed total surplus of negative Five Hundred Forty-eight Million Three Hundred Thirty-nine Thousand Eight Hundred Thirty-eight Dollars (-\$548,339,838), as reflected in its last-filed statutory financial statement of that date.

Idaho Code § 41-326 provides at subsection (1)(b) that the Director shall refuse to continue or shall suspend or revoke a foreign insurer's Idaho certificate of authority if the insurer "no longer meets the requirements for the authority, on account of deficiency of assets or otherwise." It further provides, at subsection (2), that, in cases of insolvency or impairment of required capital or surplus, the Director may take such action without first holding a hearing.

Idaho Code § 41-327(3) provides that the Director may, without advance notice or hearing, "immediately suspend the certificate of authority of any insurer as to which proceedings for receivership, conservatorship, rehabilitation, or other delinquency proceedings, have been commenced in any state by the public insurance supervisory official of such state."

The Director, having reviewed the foregoing and the requirements of Idaho Code §§ 41-313(1), 41-326(1)(b), and 41-327(3), and good cause appearing therefor,

The Director hereby finds that SENIOR HEALTH does not meet the requirements for maintaining surplus set forth at Idaho Code § 41-313(1), and thus does not meet the requirements for holding a certificate of authority in the state of Idaho.

The Director hereby further finds that SENIOR HEALTH is subject to delinquency proceedings within the meaning of Idaho Code § 41-327(3).

NOW, THEREFORE, IT IS HEREBY ORDERED, pursuant to Idaho Code §§ 41-326(1)(b) and 41-327(3), that Certificate of Authority No. 1684 issued to SENIOR HEALTH be CONTINUED IN SUSPENSION, effective immediately, for a period of one (1) year from the date of this order. The Director may terminate the suspension sooner if the cause for said

suspension is corrected and SENIOR HEALTH is otherwise in compliance with title 41, Idaho Code.

IT IS FURTHER ORDERED that SENIOR HEALTH shall comply with the requirements of Idaho Code § 41-329, including § 41-329(2), which states: "During the suspension period the insurer shall not solicit or write any new business in this state, but shall file its annual statement, pay fees, licenses, and taxes as required under this code, and may service its business already in force in this state, as if the certificate of authority had continued in force."

IT IS FURTHER ORDERED, pursuant to Idaho Code § 41-330(1), that, within four (4) days after notice of this suspension is provided, SENIOR HEALTH shall notify, by any available means, every person authorized to write business in the state of Idaho by said insurance company, to immediately cease to write any further insurance business for SENIOR HEALTH in Idaho, unless SENIOR HEALTH has already taken such action pursuant to prior order of suspension by the Director.

IT IS FURTHER ORDERED that, within 60 days of the date of this order, SENIOR HEALTH shall file with the Director a complete listing of its policies owned by or issued to residents of the state of Idaho. Such list shall include the name and address of each policyholder and insured, policy type, face amount, and cash surrender value of the policy, as applicable.

DATED this 1 day of April, 2020.

STATE OF IDAHO
DEPARTMENT OF INSURANCE


DEAN L. CAMERON
Director

NOTIFICATION OF RIGHTS

This is a final order of the agency. 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 motion for reconsideration within twenty-one (21) days of its receipt, or the motion will be considered denied by operation of law. See Idaho Code § 67-5246(4).

Any such motion for reconsideration shall be served on the Director of the Idaho Department of Insurance, addressed as follows:

Dean L. Cameron, Director
Idaho Department of Insurance
700 W. State Street, 3rd Floor
P.O. Box 83720
Boise, ID 83720-0043

Pursuant to Idaho Code §§ 67-5270 and 67-5272, any party aggrieved by this final order or orders previously issued in this case may file a petition for judicial review 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.

A petition for judicial review must be filed within twenty-eight (28) days of: (a) the service date of this final order, (b) the service of an order denying motion for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a motion for reconsideration, whichever is later. See Idaho Code § 67-5273. The filing of a petition for judicial review does not itself stay the effectiveness or enforcement of the order under appeal. Idaho Code § 67-5274.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 1st day of April, 2020, I caused a true and correct copy of the foregoing ORDER CONTINUING SUSPENSION OF CERTIFICATE OF AUTHORITY to be served upon the following by the designated means:

Senior Health Insurance Company of Pennsylvania
550 Congressional Blvd., Ste. 200
Carmel, IN 46032-5644

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

Pennsylvania Insurance Department
Jessica K. Altman, Commissioner
1326 Strawberry Square
Harrisburg, PA 17120

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

Idaho Life and Health Guaranty Association
Attn: Candie Kinch
6700 N. Linder Road, Suite 156, Box 144
Meridian, ID 83646
ckinch@idlifega.org

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

Edith L. Pacillo
Lead Deputy Attorney General
Idaho Department of Insurance
P.O. Box 83720
Boise, ID 83720-0043

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



Pamela Murray