

FILED
AUG 07 2020
Department of Insurance
State of Idaho

BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE
STATE OF IDAHO

In the Matter of:

NATIONAL HEALTH INSURANCE
COMPANY

Certificate of Authority No. 1347
NAIC ID No. 82538

Docket No. 18-3804-20

**ORDER AUTHORIZING BLOCK
NONRENEWAL AND
WITHDRAWAL FROM SMALL
EMPLOYER GROUP HEALTH
INSURANCE MARKET**

On or about June 26, 2020, the Idaho Department of Insurance (“Department”) received notification from NATIONAL HEALTH INSURANCE COMPANY (“NHIC”) of its intent to withdraw from the small employer group health insurance market in Idaho by discontinuing the offering of new policies and by block nonrenewing its existing small employer group health insurance policies delivered or issued for delivery in Idaho, pursuant to Idaho Code § 41-4707(1)(h), beginning January 2, 2021. NHIC represented that, as of June 30, 2020, the proposed block nonrenewal would affect eighty-two (82) small group policies with a total of three hundred two (302) members.

Pursuant to the Department’s determination that, due to the nature of the small employer group health insurance market and to regulatory considerations such as the annual requirement for filing policy forms and rates for review, the proposed effective date was not in the best interest of affected policyholders or regulatory expediency, NHIC modified its requested effective date to provide that nonrenewals would begin January 1, 2021.

The Director, having reviewed the foregoing, hereby finds that NHIC’s proposed block

nonrenewal complies with the requirements for notice to the Director of Idaho Code §§ 41-1841(1) and 41-4707(1)(h);

The Director further finds, in accordance with Idaho Code § 41-4707(1)(i), that continuation of coverage for calendar year 2021 is not in the best interest of affected policyholders or regulatory expediency; and good cause appearing therefor,

NOW THEREFORE, IT IS HEREBY ORDERED that NHIC is authorized and directed, pursuant to Idaho Code §§ 41-1841(1) and 41-4707(1)(h) and (i), to effectuate a block nonrenewal and discontinue all of its small employer group health insurance policies in Idaho, beginning January 1, 2021.

IT IS FURTHER ORDERED that NHIC shall provide written notice of not less than one hundred eighty (180) days to any Idaho employer affected by the nonrenewals authorized and directed by this order, or, where such advance notice is not possible, within thirty (30) days of entry of this order.

IT IS FURTHER ORDERED that NHIC is prohibited from offering and writing any new business in the small employer group health insurance markets in Idaho prior to June 26, 2025, pursuant to Idaho Code § 41-4707(2).

THIS ORDER is a final order of the Director and is EFFECTIVE IMMEDIATELY.

DATED this 6th day of August, 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 7th day of August, 2020, I caused a true and correct copy of the foregoing ORDER AUTHORIZING BLOCK NONRENEWAL AND WITHDRAWAL FROM SMALL EMPLOYER GROUP HEALTH INSURANCE MARKETS to be served upon the following by the designated means:

National Health Insurance Company
Charles W. Harris, President
4455 LBJ Freeway, Suite 375
Dallas, TX 75244

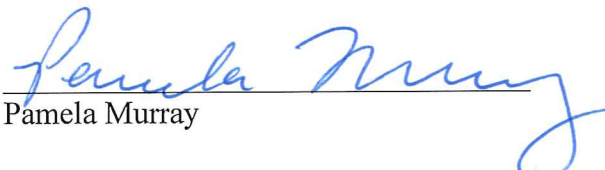
- ☒ first class mail
- ☐ certified mail
- ☐ hand delivery
- ☐ facsimile
- ☐ email

Jennifer L. Young, Compliance Manager
National General Accident & Health
Jennifer.Young@NGIC.com

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


Pamela Murray