

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA
COMMISSIONER OF INSURANCE

CAUSE NUMBER:10623-CO12-0319-007

IN THE MATTER OF:)

Golden Rule Insurance Co.)

Respondent,)

7440 Woodland Dr.)
Indianapolis, IN 46228)

NAIC No.: 62289)

FILED

APR 18 2012

STATE OF INDIANA
DEPT. OF INSURANCE

FINAL ORDER AND APPROVAL

The Indiana Department of Insurance ("Department") and Golden Rule Insurance Co. ("Respondent") signed an Agreed Entry which purports to resolve all issues involved in the above cause number. The Agreed Entry has been submitted to the Commissioner of Insurance (the "Commissioner") for approval.

The Commissioner, after reviewing the Agreed Entry, finds it has been entered into fairly and without fraud, duress or undue influence, and is fair and equitable between the parties. The Commissioner hereby incorporates the Agreed Entry as if fully set forth herein, and approves and adopts in full the Agreed Entry as a resolution of this matter.

IT IS THEREFORE ORDERED by the Commissioner of Insurance:

1. Respondent shall terminate any riders that do not meet the requirements of Indiana Code § 27-8-5-2.7(a) or § 27-8-5-19.3(b) by April 1, 2012.
2. Respondent shall not issue any riders on any policy of individual health insurance

or any certificate of coverage offered under a group or association plan that do not meet with the requirements of Indiana Code § 27-8-5-2.7(a) or § 27-8-5-19.3(b).

3. Respondent shall review the underwriting files on all certificates of coverage offered under a group or association health plan and all policies of individual health insurance where a claim was denied citing one of the riders referenced in Exhibit "A" of the Agreed Entry to determine what specific condition(s) should have been excluded from coverage. In any case where a specific condition can not be identified, no waiver of coverage may be used.
4. Respondent will review all claims that were denied citing one of the riders referenced in Exhibit "A" of the Agreed Entry. Any claim that cannot be denied citing a waiver for a specific condition (determined after the underwriting file has been reviewed according to paragraph 3) shall be honored by Respondent and processed according to regular plan benefits, and full restitution, including interest to be paid at three per cent (3%) per annum, shall be paid directly to the insured or other responsible party. All claims must be readjudicated by May 15, 2012 unless an extension is granted by the Department.
5. All restitution payments shall be accompanied by a letter stating the reason for the payment which must be approved by the Department before issuance.
6. Any full or partial claim denial Respondent feels is appropriate after having been reviewed according to paragraph 4 must be approved by the Department.
7. Once all claims have been reviewed, Respondent shall provide a written report to the Department detailing the total amount of restitution paid to Indiana consumers.

8. Any future policies of individual health insurance or certificates of coverage offered under group or association health insurance plans including waivers of coverage must meet all requirements of Indiana Code § 27-8-5-2.7 *et seq* or Indiana Code § 27-8-5-19.3 *et seq*.

ALL OF WHICH IS ORDERED this 18th day of April, 2012.


Stephen W. Robertson, Commissioner
Indiana Department of Insurance

Distribution:

Michael Hampton
Golden Rule Insurance Co.
7440 Woodland Dr.
Indianapolis, IN 46228

Debra M. Webb
INDIANA DEPARTMENT OF INSURANCE
311 West Washington Street, Suite 300
Indianapolis, Indiana 46204-2787

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA
COMMISSIONER OF INSURANCE

CAUSE NUMBER:10623-CO12-0319-007

IN THE MATTER OF:)

Golden Rule Insurance Co.)

Respondent,)

7440 Woodland Dr.)
Indianapolis, IN 46228)

NAIC No.: 62286)

AGREED ENTRY

This Agreed Entry is executed by Debra M. Webb, Deputy General Counsel for and on behalf of the State of Indiana, Indiana Department of Insurance (“Department”), and Golden Rule Insurance Co. (“Respondent”), an insurance company holding a Certificate of Authority to conduct business in Indiana, to resolve all issues in the above cause number. This Agreed Entry is subject to the review and approval of Stephen W. Robertson, Commissioner, Indiana Department of Insurance.

WHEREAS, Respondent is a resident insurer holding a Certificate of Authority to conduct the business of insurance in the State of Indiana; and,

WHEREAS, on July 26, 2011, the Department received a complaint from an Indiana consumer regarding a rider on a certificate of coverage offered under a group

policy of health insurance issued to her by Respondent which excluded coverage for treatment of “Female Disorders”; and,

WHEREAS, the Department notified Respondent that this rider does not meet the requirement in Indiana Code § 27-8-5-2.7(a) or Indiana Code § 27-8-5-19.3(b) that any waivers of coverage issued on policies of individual health insurance or on any association or a discretionary group policy of accident and sickness insurance may only waive coverage for specific conditions; and,

WHEREAS, the Department has reviewed the language for all riders waiving coverage issued by Respondent since 2006 and found that fifty-two (52) such riders do not meet the statutory requirement that coverage is waived only for specified conditions, (Riders contained in Exhibit A are trade secrets under Ind. Code § 24-2-3-2); and,

WHEREAS, one or more of these fifty-two (52) riders have been used on policies for two thousand, eight hundred and fifty-eight (2,858) Indiana residents since 2006; and,

WHEREAS, these riders have been used to deny coverage on claims for two hundred fifty-seven consumers, resulting in four hundred and fifty thousand, five hundred ninety-one dollars and seventy-six cents (\$450,591.76) in claims that were denied using these riders; and,

WHEREAS, the Department and Respondent desire to resolve their differences and settle their issues without incurring the time and expense of a hearing;

IT IS, THEREFORE, NOW AGREED by and between the parties as follows:

1. The Commissioner has jurisdiction over the subject matter and Respondent in this administrative action.
2. This Agreed Entry is executed voluntarily by the parties.
3. Respondent voluntarily and freely waives the right to a public hearing in this matter.
4. Respondent voluntarily and freely waives the right to judicial review of this matter.
5. Respondent agrees to terminate any riders that do not meet the requirements of Indiana Code § 27-8-5-2.7(a) or § 27-8-5-19.3(b) by April 1, 2012.
6. Respondent shall not issue any riders on any policy of individual health insurance or any certificate of coverage offered under a group or association plan that do not meet with the requirements of Indiana Code § 27-8-5-2.7(a) or § 27-8-5-19.3(b).
7. Respondent shall review the underwriting files on all certificates or policies where a claim was denied citing one of the riders referenced above to determine what specific condition(s) should have been excluded from coverage. In any case where a specific condition can not be identified, no waiver of coverage may be used.
8. Respondent will review all claims that were denied citing one of the riders listed above. Any claim that cannot be denied citing a waiver for a specific condition (determined after the underwriting file has been

reviewed according to paragraph 7) shall be honored by Respondent and processed according to regular plan benefits, and full restitution, including interest to be paid at three per cent (3%) per annum, shall be paid directly to the insured or other responsible party. All claims must be readjudicated by May 15, 2012 unless an extension is granted by the Department.

9. All restitution payments shall be accompanied by a letter stating the reason for the payment which must be approved by the Department before issuance.
10. Any full or partial claim denial Respondent feels is appropriate after having been reviewed according to paragraph 8 must be approved by the Department.
11. Once all claims have been reviewed, Respondent shall provide a written report to the Department detailing the total amount of restitution paid to Indiana consumers.
12. Any future policies of individual health insurance or certificates of coverage offered under group or association health insurance plans including waivers of coverage must meet all requirements of Indiana Code § 27-8-5-2.7 *et seq* or Indiana Code § 27-8-5-19.3 *et seq*.
13. Should this Agreed Entry not be accepted by the Commissioner, it is agreed that presentation to and consideration of this Agreed Entry by the Commissioner shall not unfairly or illegally prejudice the Commissioner from further participation in or resolution of these proceedings.

14. Respondent has carefully read and examined this agreement and fully understands its terms.

4-18-12

Date Signed

Debra M. Webb

Debra M. Webb, Deputy General Counsel
Indiana Department of Insurance

4/6/2012

Date Signed

Michael Lee Corne

Michael Lee Corne, Vice President
Golden Rule Insurance Co.

STATE OF Indiana)
COUNTY OF Marion) SS:

Before me a Notary Public for Marion County, State of Indiana personally appeared Michael L. Corne, on behalf of Golden Rule Insurance Co., and being first duly sworn by me upon his/her oath, says that the facts alleged in the foregoing instrument are true.

Signed and sealed this 5th day of April, 2012.

C Cheryl D Fine
Signature
Cheryl D. Fine
Printed

My Commissioner expires: 10-23-2016
County of Residence: Marion

