

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION
AT RICHMOND, SEPTEMBER 12, 2014

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COMMONWEALTH OF VIRGINIA, *ex rel.*

STATE CORPORATION COMMISSION

v.

CASE NO. INS-2014-00173

UNITEDHEALTHCARE INSURANCE COMPANY,
Defendant

SETTLEMENT ORDER

Based on a market conduct inquiry performed by the Bureau of Insurance ("Bureau"), it is alleged that UnitedHealthcare Insurance Company ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Commonwealth"), in certain instances violated: § 38.2-305 B of the Code of Virginia ("Code") by failing to provide the information required by the statute in the insurance policies; §§ 38.2-316 A, 38.2-316 B and 38.2-316 C (1) of the Code by failing to comply with policy and form filing requirements; §§ 38.2-3405 A and 38.2-3405 B of the Code by allowing provisions for subrogation of any person's right to recovery for personal injuries from a third person in contracts for insurance; and § 38.2-3529 B (3) of the Code by failing to comply with policy contract provisions.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1040 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of its right to a hearing in this matter whereupon the Defendant, without admitting any violation of Virginia law, has made an offer of settlement to

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the Commission wherein the Defendant has tendered to the Commonwealth the sum of One Hundred Thirty Thousand Dollars (\$130,000), waived its right to a hearing, agreed to the entry by the Commission of a cease and desist order, and agreed to comply with the Corrective Action Plan set forth in the Bureau's letter dated July 21, 2014.

The Bureau has recommended that the Commission accept the offer of settlement of the Defendant pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered the record herein, the offer of settlement of the Defendant, and the recommendation of the Bureau, is of the opinion that the Defendant's offer should be accepted.

Accordingly, IT IS ORDERED THAT:

(1) The offer of the Defendant in settlement of the matter set forth herein is hereby accepted.

(2) The Defendant shall cease and desist from future violations of §§ 38.2-316 A, 38.2-316 B, 38.2-316 C (1), 38.2-3405 A, or 38.2-3405 B of the Code.

(3) This case is dismissed, and the papers herein shall be placed in the file for ended causes.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to: Joseph Stangl, Director, Regulatory Affairs Northeast & Mid-Atlantic, UnitedHealthcare Insurance Company, 185 Asylum Street, Hartford, Connecticut 06103; and a copy shall be delivered to the Commission's Office of General Counsel and the Bureau of Insurance in care of Deputy Commissioner Althelia P. Battle.