

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, NOVEMBER 1, 2018

SCC-CLERK'S OFFICE
DOCUMENT CONTROL CENTER

COMMONWEALTH OF VIRGINIA, *ex rel.*

2018 NOV -1 P 4: 01

STATE CORPORATION COMMISSION

v.

CASE NO. INS-2018-00236

UNITED SERVICES AUTOMOBILE ASSOCIATION,
USAA CASUALTY INSURANCE COMPANY,
USAA GENERAL INDEMNITY COMPANY, and
GARRISON PROPERTY AND CASUALTY
INSURANCE COMPANY,
Defendants

SETTLEMENT ORDER

Based on a market conduct investigation conducted by the Bureau of Insurance ("Bureau"), it is alleged that United Services Automobile Association, USAA Casualty Insurance Company, USAA General Indemnity Insurance Company, and Garrison Property and Casualty Insurance Company (collectively, "Defendants"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), in certain instances violated § 38.2-2201 of the Code of Virginia ("Code") by failing to pay medical expense benefit payments in accordance with the provisions of the statute.

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 Defendants have been advised of the right to a hearing in this matter whereupon the Defendants, without admitting any violation of Virginia law, have made an offer of settlement to the Commission wherein the Defendants have agreed to comply with the corrective action plan

181110133

as stipulated in Case Number INS-2017-00190,¹ confirmed that restitution² was made to 1,989 consumers in the amount of \$4,396,720.15, and waived the right to a hearing.

The Bureau has recommended that the Commission accept the offer of settlement of the Defendants 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 Defendants, and the recommendation of the Bureau, is of the opinion that the Defendants' offer should be accepted.

Accordingly, IT IS ORDERED THAT:

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

(2) 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: Daniel Dilley, Assistant Vice President, 9800 Fredericksburg Road, San Antonio, Texas 78288; and a copy shall be delivered to the Commission's Office of General Counsel and the Bureau of Insurance in care of Deputy Commissioner Rebecca Nichols.

¹ *Commonwealth of Virginia, ex rel. State Corporation Commission v. United Services Automobile Association, USAA Casualty Insurance Company, USAA General Indemnity Company, and Garrison Property & Casualty Insurance Company*, Case No. INS-2017-00190, 2017 S.C.C. Ann. Rept. 254, Settlement Order (Oct. 27, 2017).

² The restitution identified in this case is a result of alleged violations in INS-2017-00190.