

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, MAY 3, 2021

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COMMONWEALTH OF VIRGINIA, *ex rel.*

STATE CORPORATION COMMISSION

v.

CASE NO. INS-2021-00022

PENNSYLVANIA NATIONAL MUTUAL
CASUALTY INSURANCE COMPANY,
Defendant

SETTLEMENT ORDER

Based on a market conduct inquiry conducted by the Bureau of Insurance ("Bureau"), it is alleged that Pennsylvania National Mutual Casualty Insurance Company ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated: § 38.2-2201 D of the Code of Virginia ("Code") by issuing medical expense benefits payments not in compliance with the aforementioned 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 violation.

The Defendant has been advised of the right to a hearing in this matter whereupon the Defendant, without admitting nor denying any violation of Virginia law, has made an offer of settlement to the Commission wherein the Defendant has agreed to comply with the corrective action plan outlined in the Defendant's correspondence dated September 25, 2020 and March 18, 2021; has confirmed that restitution was made to 48 consumers in the amount of Eighty-Six

Thousand One Hundred Eleven Dollars and Eighty-Six Cents (\$86,111.86); has tendered to the Treasurer of Virginia the sum of Two Thousand Five Hundred Dollars (\$2,500); and has waived the right to a hearing.

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

A COPY of this order shall be sent by the Clerk of the Commission by electronic mail to: Lisa C. Katterman, Senior Corporate Counsel and Industry Relations, Pennsylvania National Insurance, at lkatterman@pnat.com, 2 North Second Street, P.O. Box 2361, Harrisburg, Pennsylvania 17105-2361; 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.