



### Use of Unapproved Health Insurance Rates

From May 1, 1997 to January 31, 1999, Fortis issued individual health insurance policies, on policy forms numbered 100, 192 and 502, to persons residing in Oregon using premium rates that varied from Fortis' geographic average rates for such period that were filed with and approved by the Director, by and through the Insurance Division.

### Failure to Promptly Respond to Director

On December 23, 1998, the Director, by and through the Insurance Division, mailed to Fortis a letter requesting certain information by January 16, 1999. On January 19, 1998, the Insurance Division mailed to Fortis a follow up letter informing Fortis that the Insurance Division had not received a response to its initial letter and requested Fortis to respond. On February 26, 1999, the Insurance Division faxed to Fortis a second follow up letter. On March 8, 1999, the Insurance Division received from Fortis by fax a letter providing the information requested. Fortis' response was 49 days late.

### **Ultimate Facts**

Fortis used unapproved health insurance rates.

Fortis failed to promptly respond to an inquiry from the Director.

### **Conclusions**

Fortis violated ORS 743.767(2) and 731.296.

### **Action**

Fortis shall pay a civil penalty of \$12,000 pursuant to ORS 731.988. Payment shall be made in the form of a check payable to the "Department of Consumer and Business Services" for the full amount due. Payment shall be personally delivered or mailed to the Insurance Division so that it is received on or before the date of this order.

Dated July 22, 1999.

/s/ Benjamin M. Cutler II  
Benjamin M. Cutler II  
President  
Fortis Insurance Company

**FINAL ORDER**

The Director adopts, and incorporates herein by this reference, the Facts, Ultimate Facts, Conclusions and Action in the above Stipulation as the Findings of Fact, Ultimate Findings of Fact, Conclusions of Law and Order, respectively, of this Final Order.

Dated August 2, 1999.

/s/ Michael Greenfield  
Michael Greenfield  
Director  
Department of Consumer and Business Services