



### Failing to Respond to Director's Inquiries

On 5/20/98, the Insurance Division faxed a letter to Denice Mondt (Mondt) of GuideOne, then known as Guidant Specialty Mutual Insurance Company, requesting to know the status of a claim by Frances Tkach (Tkach) of O'Brien, Oregon, number 04-4-147273, regarding a loss that occurred on 12/31/97 at 33354 Redwood Highway, O'Brien, Oregon. GuideOne was required by Oregon Administrative Rules (OAR) 836-080-0225 to respond within 21 calendar days of receipt of the Director's letter, which in this case was by 6/21/98. On 5/29/98, the Insurance Division faxed another letter to Mondt about the status of Tkach's claim. On 7/16/98, the Insurance Division received from Michael Froehlich (Froehlich), a property insurance claims unit supervisor for GuideOne, a copy of a letter dated 7/13/98 to Tkach about the status of her claim. GuideOne's response was 36 days late.

On 10/12/99, the Insurance Division faxed a letter to Michael Strech (Strech) of GuideOne requesting to know the status of another of Tkach's claims, number 04A04717, regarding a loss that occurred on 10/5/98 at 33354 Redwood Highway, O'Brien, Oregon. GuideOne was required by OAR 836-080-0225 to respond within 21 calendar days of receipt of the Director's letter, which in this case was by 11/2/99. On 11/4/99, after not receiving any response, the Insurance Division faxed another letter to Strech requesting the status of Tkach's claim. On 11/16/99, after still not receiving any response, the Insurance Division faxed a third letter to Strech requesting the status of Tkach's claim. On 11/19/99, the Insurance Division received from Froehlich a letter dated 11/16/99 about the status of Tkach's other claim. GuideOne's response was 17 days late.

### **Ultimate Facts and Conclusions**

GuideOne violated ORS 731.296 in two instances by not responding promptly to two inquiries from the Director.

### **Action**

GuideOne shall pay to the Director a civil penalty of \$2,000 pursuant to ORS 731.988 on or before the date of the Final Order. Payment shall be made in the

form of a check payable to the "Department of Consumer and Business Services" for the full amount due.

Dated January 8, 2001.

/s/ Darryl D. Hansen  
Darryl D. Hansen  
President  
GuideOne Specialty Mutual 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 January 25, 2001.

/s/ Mary C. Neidig  
Mary C. Neidig  
Director  
Department of Consumer and Business Services

**CERTIFICATE OF SERVICE**

I certify that I served the above Stipulation and Final Order by mailing a copy thereof in a sealed envelope, with first class postage prepaid, to the party named therein on the date below.

Dated January 25, 2001.

/s/ Mitchel D. Curzon  
Mitchel D. Curzon  
Administrative Law Specialist  
Insurance Division

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