

**STATE OF OREGON  
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
INSURANCE DIVISION**

In the Matter of **Hartford Life and Accident Insurance Company** ) **STIPULATION** and  
 ) **FINAL ORDER**  
 ) Case No. INS 06-01-009

**STIPULATION**

The Director of the Oregon Department of Consumer and Business Services (director) commenced this administrative proceeding, pursuant to Oregon Revised Statutes (ORS) 731.256, to take enforcement action against Hartford Life and Accident Insurance. Company (Hartford).

Hartford desires to conclude this proceeding without a hearing by entering into this stipulation pursuant to ORS 183.415(5).

Hartford waives all rights relative to an administrative hearing and judicial review thereof.

Hartford stipulates to the following facts, conclusions, action, and to the issuance of a final order incorporating this stipulation.

**Facts and Conclusions**

Licensing Information

Hartford has been licensed in Oregon as a foreign insurer since 12/1/70. Hartford's last recorded principal business address is located in Simsbury, Connecticut.

Issued Group Health Insurance Policy to Unapproved Association

Hartford violated ORS 743.524(1) in four instances by engaging in the following conduct. ORS 743.524(1) prohibits an insurer from offering a group health insurance policy to an association as the policyholder or from offering coverage under such a policy, whether issued in this or another state, unless the director determines that the association satisfies the requirements of ORS 743.522(2). From 3/1/04 to 9/1/04, Hartford issued a group health insurance policy to each of four associations and thereafter insured under the policy a total of 541 persons residing

in Oregon. The associations were not approved by the director. The name of the association, the effective dates of the policy, and the number of Oregon residents insured under the policy, in each instance is as follows:

<u>Association / Group Policyholder</u>	<u>Effective Dates</u>	<u>No. Oregon Insureds</u>
National Assoc. of Consumers Direct	3/1/04 to 7/1/05	235
USA Savers Association	3/1/04 to 7/1/05	4
Value Benefits of America Association	5/1/04 to 7/1/05	138
Nationwide Benefits Association	9/1/04 to 9/1/05	<u>164</u>
Total		541

### **Action**

Pursuant to ORS 731.988, Hartford is assessed a civil penalty of \$17,500. The payment shall be made in the form of a check payable to the "Department of Consumer and Business Services" for the full amount due. The payment shall be delivered to the Insurance Division at the Labor and Industries Building, 350 Winter Street NE, Room 440 (4<sup>th</sup> Floor), Salem, Oregon; or mailed to the Insurance Division at PO Box 14480, Salem, OR 97309-0405. The payment is due on, and shall be received by the Insurance Division by, the date of the final order.

Dated March 2, 2006

/s/ Medina Jett

[Signature of Representative]

Medina Jett

[Printed Name of Representative]

Vice President / Chief Compliance Officer

[Printed Title of Representative]

Hartford Life and Accident Insurance Company

### **FINAL ORDER**

The director incorporates herein the above stipulation, adopts it as the director's final decision in this proceeding, and orders that the action stated therein be taken.

Dated March 15, 2006

/s/ Cory Streisinger

Cory Streisinger

Director

Department of Consumer and Business Services