

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

In the Matter of **National Health Insurance Company**) **STIPULATION** and
) **FINAL ORDER**
) Case No. INS 08-08-007

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 National Health Insurance Company (National Health).

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

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

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

Facts and Conclusions

Licensing Information

National Health has been licensed in Oregon as a foreign insurer since 8/13/81. National Health's last recorded principal business address is located in Dallas, Texas.

Filed Prompt Pay Health Claim Report Containing Extraneous Information

National Health is subject to enforcement action pursuant to Oregon Administrative Rules (OAR) 836-080-0085(2)(b) because of the following circumstances. ORS 743.911(1) requires an insurer to pay a clean claim under a health benefit plan within 30 days after receiving the claim or after receiving any required additional information whichever is later. OAR 836-080-0085(2) requires an insurer to file with the director by March 1 of each year a report, referred to as a prompt pay report, of all clean claims, as defined in OAR 836-080-0080(1), of health

benefit plans, as defined in ORS 743.730(19), that the insurer received from a provider on behalf of an enrollee, as defined in ORS 743.730(14), containing certain information. OAR 8236-080-0085(2)(b) requires the report to contain all clean claims that were finally disposed of during the immediately preceding year more than 30 days after the insurer received the claims. On 3/4/08, the director received from National Health its prompt pay report for 2007. The report contained information about one claim that was finally disposed of during the immediately preceding year 30 days or less after National Health received the claim.

Action

Pursuant to ORS 731.988, National Health is assessed a civil penalty of \$2,000.00. 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 (4th Floor), Salem, Oregon; or mailed to the Insurance Division at PO Box 14480, Salem, OR 97309-0405. The payment shall be *received* by the Insurance Division by the date of the final order.

Dated 10/6/08

/s/ Eva A. Green

[Signature of Representative]

Eva A. Green

[Printed Name of Representative]

Vice-President, Compliance

[Printed Title of Representative]

National Health 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 11/4/08

/s/ Cory Streisinger

Cory Streisinger

Director

Department of Consumer and Business Services