

OAR 836-080-0085(2)(a) requires the report to contain all clean claims that were finally disposed of during the immediately preceding year. Thus, the report should not include information about clean claims that were finally disposed of during years other than the immediately preceding year, as well as information about adjustments to previously disposed of clean claims. OAR 836-080-0085(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. Thus, the report should not include information about clean claims that were timely disposed of 30 days or less. MEGA was required to file its report for 2008 by 3/2/09. On 3/2/09, the director received from MEGA its report for 2008. A random sample of the claims in the report included one claim that was finally disposed of in a year other than 2008 and one claim that was finally disposed of during the immediately preceding year 30 days or less after MEGA received the claim.

Action

Pursuant to ORS 731.988(1), MEGA is assessed a civil penalty of \$2,000. 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, 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 10/28/09

/s/ Susan E. Dew

[Signature of Representative]

Susan E. Dew

[Printed Name of Representative]

SUP, Associate General Counsel and Chief Compliance Officer

[Printed Title of Representative]

The MEGA Life and 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 11/16/09

/s/ Cory Streisinger

Cory Streisinger

Director

Department of Consumer and Business Services