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

| In the Matter of Central United Life Insurance | ) | STIPULATION and        |
|--|---|------------------------|
| Company  | ) | FINAL ORDER            |
|  | ) | Case No. INS 06-01-011 |

## **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 Central United Life Insurance Company (Central United).

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

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

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

### **Facts and Conclusions**

## <u>Licensing Information</u>

Central United has been licensed in Oregon as a foreign insurer since 8/15/79. Central United's last recorded principal business address is located in Houston, Texas.

## <u>Issued Group Health Insurance Policy to Unapproved Association</u>

Central United violated ORS 743.524(1) in one instance 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). On 10/9/04, Central United issued a group health insurance policy

to the Nationwide Benefits Association and thereafter insured under the policy 43 persons residing in Oregon. The association was not approved by the director.

#### Action

Pursuant to ORS 731.988, Central United is assessed a civil penalty of \$5,000. 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, Room 440 (4th 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 9, 2006 /s/ Mary Lou Rainey

[Signature of Representative]
Mary Lou Rainey

[Printed Name of Representative]

Vice President

[Printed Title of Representative]

Central United Life 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 21, 2006 /s/ Cory Streisinger

Cory Streisinger

Director

Department of Consumer and Business Services

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