STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
INSURANCE DIVISION

In the Matter of **Nationwide Life Insurance Company**	)	**STIPULATION** and **FINAL ORDER**
	)	Case No. INS 09-08-010

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 Nationwide Life Insurance Company (Nationwide Life).

Nationwide Life desires to conclude this proceeding without a hearing by entering into this stipulation pursuant to ORS 183.417(3).

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

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

Facts and Conclusions

Licensing Information

Nationwide Life has been licensed in Oregon as a foreign insurer since 11/8/55. Nationwide Life's last recorded principal business address is located in Columbus, Ohio.

Filed Prompt Pay Health Claim Report Containing Extraneous Information

Nationwide Life is subject to enforcement action pursuant to Oregon Administrative Rules (OAR) 836-080-0085(2)(a) or OAR 836-080-0085(2)(b) or both because of the following circumstances. ORS 743.911(1) requires an insurer to pay a clean claim, as defined in OAR 836-080-0080(1), under a health benefit plan, as defined in ORS 743.730(19), within 30 days after receiving from a provider on behalf of an enrollee, as defined in ORS 743.730(14), the claim or after receiving any required additional information whichever is later. ORS 743.911(5) requires an insurer to file with the director an annual report of its compliance with ORS 743.911. The report is referred to as a prompt pay report. OAR 836-080-0085(2) requires an insurer to file the report with the director by March 1 of each year, and to include certain information in the report. Pursuant to ORS 174.125, if the normal due date falls on a date that the director is not open for business, then the actual due date is the next date that the director is open for business.

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. Nationwide Life was required to file its report for 2008 by 3/2/09. On 1/20/09, the director received from Nationwide Life its report for 2008. A random sample of the claims in the report included three claims that were finally disposed of in a year other than 2008.

Action

Pursuant to ORS 731.988(1), Nationwide Life 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 9/29/09

/s/ Melissa D. Gutierrez
[Signature of Representative]
Melissa D. Gutierrez
[Printed Name of Representative]
Vice President
[Printed Title of Representative]

Nationwide 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 11/16/09

/s/ Cory Streisinger
Cory Streisinger
Director
Department of Consumer and Business Services