

**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 11-12-007

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 Hartford Life and Accident Insurance Company (Hartford Life).

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

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

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

Facts and Conclusions

Licensing Information

Hartford Life has been licensed in Oregon as a foreign insurer since 12/1/70. Hartford Life's Oregon Insurance Division company number is 1841, NAIC entity number is 70815, and federal employer identification number (FEIN) is 06-0838648. Hartford Life's last recorded principal place of business address is PO Box 2999, Hartford, CT 06104-2999; and telephone number is 860-843-5867.

Issued Group Health Insurance Policy to Unapproved Association

Hartford Life is subject to enforcement action pursuant to ORS 743.524(1) because of the following circumstances. 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 policy insuring a person residing in this state, whether the policy has been issued or is to be issued in this or another state, unless the director determines that the association satisfies certain requirements. For purposes of

ORS 743.351, ORS 743.354, ORS 743.360, ORS 743.522(2), ORS 743.524, ORS 743.526, an insurer offers a policy when it proposes to issue or renew a policy, and an insurer offers coverage under such policy when it proposes to provide benefits of the policy to a person named or described in the policy. Hartford Life issued two group health insurance policies to one association insuring persons residing in Oregon. After it offered each policy, or offered coverage under such policy, Hartford Life filed with the director information about the association pursuant to ORS 743.524(2) but the director determined that the association did not satisfy the applicable requirements.

Action

Pursuant to ORS 731.988(1), Hartford Life is assessed a civil penalty of \$5,000.00. 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 or mailed to the Insurance Division at the Labor and Industries Building, 350 Winter Street NE Room 300, Salem, OR 97301-3880; 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 January 5, 2012

/s/ Dana MacKinnon
[Signature of Representative]
Dana MacKinnon
[Printed Name of Representative]
Vice President
[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 February 6, 2012

/s/ Patrick M. Allen
Patrick M. Allen
Director
Department of Consumer and Business Services