

Insurance Division bills moving through Legislature

All five bills introduced by the Insurance Division in the 2007 regular session of the Oregon Legislature have passed at least one house. The session convened Jan. 8 and legislators plan to adjourn by June 29.

Bills introduced by the Insurance Division are summarized below, followed by the bill's status at press time.

HB 2213: Health insurance transparency

For in-network services, the bill would require health insurers to provide enrollees with a reasonable estimate of their total cost share before services are incurred, as well as a cost breakdown, including the deductible to be paid by the enrollee; the deductible amount already met by the enrollee; the coinsurance, copayment, or other cost share to be paid by the enrollee; and any applicable benefit maximum.

For out-of-network services, the bill would require insurers to provide the same reasonable estimate and breakdown of costs as for in-network services. In addition, insurers must provide a reasonable estimate of the usual, customary, and rea-

sonable (UCR) charge for out-of-network services; and notice that the enrollee may be responsible for costs in excess of the UCR charge.

Status: HB 2213, with amendments, passed the House March 21. The bill is pending in the Senate Health Policy and Public Affairs Committee.

For the latest information about insurance-related legislation, check the Oregon Insurance Division's Web site: insurance.oregon.gov. Click on *Oregon Legislature*.

SB 191: Long-term care insurance

The Insurance Division proposes to amend Oregon's long-term care statutes to respond to changes in federal law, the marketplace, and consumer expectations. This will enable consumers to benefit from recent federal legislation that allows LTC policyholders to access Medicaid services while protecting estate assets in the amount of benefits received from the

policy. To obtain these benefits, states must amend their laws to include specific consumer protections and policy provisions, as well as training and continuing education requirements for insurance producers selling long-term care insurance.

Status: SB 191, with amendments, passed the Senate March 7. The bill received a "do pass" recommendation from the House Health Care Committee May 14.

HB 2221: Discount medical plans

The bill would require sellers of discount medical plans to be licensed by the Department of Consumer and Business Services (DCBS). Companies would have to provide a free-look period, plus customer assistance. The bill would also allow DCBS by rule to establish advertising restrictions and disclosure requirements.

Status: HB 2221, with amendments, passed the House April 10 and the Senate May 15.

HB 2224: Insurance policy forms

The bill would allow Oregon, by administrative rule, to approve certain life, annuity, and disability insurance policy forms if they have been approved by the Interstate Insurance Product Regulation Commission and the DCBS director determines that the commission's approval process provides protection that is substantially the same as or better than the review process under Oregon law.

Status: HB 2224, with amendments, passed the House April 10. The bill is pending in the Senate Commerce Committee.

SB 183: Medical professional liability insurance

The 2003 Oregon Legislature approved a medical professional liability reinsurance program totaling \$40 million for

Study analyzes Oregon health insurance market

The Department of Consumer and Business Services has produced a research report focusing on the role of commercial health insurance in Oregon.

The report, *Health Insurance in Oregon*, includes a summary of Oregon's regulatory system, data on the health insurance market as a whole, financial profiles of Oregon's eight largest health

insurers, and an overview of their cost-control initiatives. It also offers seven recommendations to improve the affordability and effectiveness of the commercial health insurance market.

"Oregon legislators are debating the future of Oregon's health care system," said Oregon Insurance Administrator **Joel Ario**, "and we hope the information in this report will help in those discussions."

Key findings

Key findings of the report include:

- A major role of rate regulation is to ensure the pooling of risks and equitable

Health Insurance in Oregon is available to view on the Insurance Division's Web site at www.cbs.state.or.us/external/ins/health_report/health-report_intro.html.

Producer Licensing

New Producer Licensing manager has agency background

By Tom King

I'm just finishing my fifth month as manager of the Producer Licensing Unit, after taking over for **Margarita Nuñez** in January. Allow me to tell you a little bit about myself.

I retired from the Marines in 1981 after 21 years of service and opened a Farmers Insurance Agency in Albuquerque, N.M. After a dozen years, I sold the agency, did some traveling in a fifth-wheeler, and ended up in Salem, Ore. I most recently worked as a compliance specialist for the Office of State Fire Marshal before joining the Insurance Division.

My primary goals are to administer Oregon's licensing laws fairly and consistently, use technology to streamline the licensing process, and maintain the high customer service standards Margarita established during her tenure as licensing manager. Please feel free to contact me with your suggestions or questions.



Streamlined licensing process begins July 1

We plan to streamline the licensing process soon, reducing the time it takes for you to get your license. Instead of waiting several weeks for your paper license to come in the mail, you can check our Web site.

All license information for active licensees will be available on the Web the next business day after passing the exam or after we approve your renewal. Oregon law doesn't require licensees to display their license, but those who want a paper copy will be able to print one from the Web.

We will quit issuing paper licenses effective July 1. The change is expected to save an estimated \$30,000 annually in printing, handling, and postage costs.

Here's where to go for CE questions

Continuing education providers should direct course filings, notifications of course time, date, and locations,

and questions about continuing education courses to **Dee Poole** at pooledd@cbs.state.or.us.

Producers who have questions about CE hours should call the Producer Licensing Unit, (503) 947-7981.

Notify us with address or phone changes

Just a reminder: According to ORS 744.068(4), producers must report any change of address or telephone number of the principal place of business to the Producer Licensing Unit within 30 days of the change. Resident producers also must notify Producer Licensing of a change to their residence address. We use the residence address for mailing renewal notices and the *Oregon Insurance Regulator* newsletter.

Law specifies how long to retain records

We have received several inquiries about requirements for retaining insurance records. ORS 744.068 requires producers to retain records of insurance transactions for three years following expiration of the policy.

Renewing early in month can speed up process

Renewal notices are sent out monthly. For example, we will send out renewals for May on March 15.

If you wait until the last part of May to send in your renewal, it can take up to 15 days to process because of the volume at the end of the month. Renewals sent in the first part of the month can be processed in as little as 3-5 business days. The moral of this story is to return your renewal as soon as possible.

More nonresidents can obtain adjuster licenses

Oregon has changed its requirements for issuing adjuster licenses to nonresidents. Resident adjusters from 48 states and the District of Columbia can now obtain nonresident adjuster licenses in Oregon. The only exceptions at this time are California and Nevada residents.

Tom King is manager of the Producer Licensing Unit.

Personnel

New employees

- **Cliff Cummins**, investigator
- **Scott Fitzpatrick**, life and health actuary
- **Tom King**, Producer Licensing manager
- **Sue Lefferts**, consumer advocate
- **Mike Lydon**, Market Surveillance manager
- **Maurice A. Marquez**, consumer advocate
- **Mary Ellen Robertson**, licensing technician

- **Margot Ross**, Rates & Forms manager
- **Carol Ruda**, licensing technician
- **Brooke Sheehan**, Administrative Services assistant
- **Tracie Weeder**, consumer advocate
- **Dale White**, investigator

Retirements

- **Von Ledbetter**, Market Regulation assistant
- **Jan White**, consumer advocate

Insurance Administrator's Column

Report provides detailed look at Oregon health market

The future of Oregon's health care system is the focus of much public and political discussion and debate. Oregon Governor Ted Kulongoski has made health care accessibility and affordability one of his top priorities in the 2007 legislative session, including requiring more transparency from insurers and providers about health care costs and quality, and providing reasonably priced insurance options to all uninsured children under age 19.

The Insurance Division regulates one component of our fragmented health care system, commercial health insurance, through which about 39 percent of Oregonians currently get their coverage.

To assist in the broad policy discussions already under way, we released a research report in January focusing on the role of commercial health insurance in Oregon (see story, Page 1).

We hope that policymakers and the public can benefit from the information in this report, much of which is available for the first time. Bills that address four of the seven recommendations offered in the report are moving through the legislative process.

Insurance Division introduces five bills

Oregon legislators have passed the midway point in their 2007 regular session, which convened in January. We introduced five bills in this session (see story, Page 1).



Each of our proposals had passed at least one house of the Legislature at press time.

You can find links to the latest versions of our bills on our Web site: insurance.oregon.gov. Just click on the *Oregon Legislature* link on the left side of our home page.

In addition, our site includes links to insurance-related legislation introduced by others.

Industry veterans join management team

I'm pleased to welcome two industry veterans to the Insurance Division's Market Regulation Section.

Mike Lydon manages the Market Surveillance Unit, supervising our investigators and market analysts. He has more than 30 years of industry experience, mostly in claims management. Mike will continue our efforts to use market analysis and targeted exams to focus our enforcement resources on the most serious marketplace problems.

Margot Ross, our new manager of the Rates & Forms Unit, has held underwriting and operations management positions with several insurers and reinsurers. Her priorities will be to continue our efforts to make the rate review process more transparent, to expand electronic filing, and to make our process more uniform with other states when Oregon law allows this and when uniformity serves our consumer protection mission.

Joel Ario
Insurance Administrator

KEY CONTACTS Oregon Insurance Division

Administration

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Deputy Administrator..... Carl Lundberg

Market Regulation

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Manager..... Jan Miller

- **Administrative Services** ... (503) 947-7222
Manager..... Margarita Nuñez
- **Consumer Advocacy**..... (503) 947-7984
Manager..... Ron Fredrickson
- **Producer Licensing** (503) 947-7981
Manager..... Tom King

• **Market Surveillance**..... (503) 947-7242
Manager..... Mike Lydon

• **Rates & Forms**
Information..... (503) 947-7983
Manager..... Margot Ross

Financial Regulation

Information..... (503) 947-7982
Manager..... Russell Latham
Assistant Manager..... Annette Boyce

Employment opportunities

Margarita Nuñez..... (503) 947-7222

Other agencies

Oregon Health Plan
(800) 359-9517
State Portability Option
Oregon Medical Insurance Pool
(Administered by Regence Blue Cross
Blue Shield)
(800) 848-7280

COBRA/ERISA/HIPAA questions
U.S. Department of Labor
(866) 275-7922

Senior Health Insurance
Benefits Assistance (SHIBA)
(800) 722-4134
(503) 378-2014

Workers' Compensation Division
General information
(503) 947-7810

Department of Consumer &
Business Services Web site
www.oregon.gov/DCBS

Oregon Government Web site
www.oregon.gov

Administrative Rules and Bulletins

Recent Insurance Division administrative rules and bulletins are summarized below. Rules and bulletins are available on our Web site, insurance.oregon.gov.

Interested parties can subscribe to the division's electronic notification service for rulemaking notices, bulletins, and other information. To subscribe, please visit our Web site and click on *E-Mail Notification*.

ADMINISTRATIVE RULES

ID 19-2006 — Rule Corrections and Updates: Various OAR 836-005-0105 through 836-086-0005

Corrects and updates erroneous or superseded statutory, rule, and other references in Insurance Division rules.

Adopted: Sept. 18, 2006

Effective: Sept. 26, 2006

ID 01-2007 — Workers' Compensation Insurance Premium Audit Program: OAR 836-043-0110

Amends a rule governing the premium audit program to allow employers and insurers to satisfy the payroll reporting requirement electronically.

Adopted: Jan. 8, 2007

Effective: Jan. 17, 2007

ID 02-2007 — Coordination of Group Health Insurance Benefits: OAR 836-020-0770

Moves to Jan. 1, 2008, the effective date of rulemaking relating to coordination of group and blanket health insurance

benefits that was adopted in 2006, and requires the DCBS director to review the rules and their implementation experience after Jan. 1, 2010.

Adopted: Feb. 7, 2007

Effective: Feb. 12, 2007

ID 3-2007 — Use of Mortality Tables OAR 836-031-0800, 836-031-0805, 836-031-0810, and 836-031-0815

Recognizes, allows, and prescribes the use of mortality tables that reflect differences between preferred and standard lives in determining minimum reserve liabilities, in connection with life insurance, for policies sold on or after Jan. 1, 2007.

Adopted: Feb. 7, 2007

Effective: Feb. 12, 2007

ID 04-2007 — Insurance Producer Licensing: OAR 836-071-0146, 836-071-0180, 836-071-0215, 836-071-0220, 836-071-0242, and 836-071-0250

Adopts and amends rules relating to licensing, renewal, prelicensing training, and continuing education requirements for insurance producers. The changes further licensing reciprocity for Oregon resident producers and increase consistency between the licensing laws of Oregon and those of other states.

Adopted: Feb. 27, 2007

Effective: Jan. 1, 2008

BULLETINS

INS 2007-1 — Feb. 15, 2007

Provides guidance for health insurers regarding reporting requirements for prompt payment of claims under ORS 743.866.

INS 2007-2 — April 6, 2007

Provides instructions to assist insurers offering health benefit plans in filing annual reports required by the Patient Protection Act. The act requires filing the following reports on or before June 30 each year: grievances, quality assessment activities, utilization review policies, and network adequacy. This bulletin supersedes INS 2003-1, which is withdrawn.

Health

Continued from Page 1

treatment for those who are not in groups large enough to form separate pools.

- Oregon enforces financial solvency and consumer protection requirements for all health insurers, but regulates rates only in the individual and small group markets.
- The health insurance market in Oregon is competitive.
- The health insurance industry in Oregon is profitable today.
- This profitability is relatively recent.
- Average rates in the regulated small group market (2-25 employees) are similar to unregulated rates in the medium group market (26-50 employees).
- Rates dropped in the individual market and moderated in the small group market in 2006.
- Many insurers are pursuing strategies to reduce the cost of health insurance.

Recommendations

Most of the report's recommendations for improving commercial health insurance are addressed in legislation being considered by Oregon lawmakers in the 2007 session:

- **HB 2213**, submitted by the Insurance Division, would ensure that consumers have access in advance to understandable health care pricing information.
- **HB 2002** would expand the state rate regulated small group market to include groups of 26-50 employees. It also would provide stronger incentives for insurers to focus on wellness initiatives and other longer-term cost-control strategies.
- **HB 3103** would make the rate review process more transparent by requiring that filings be posted on the Web.

The report also recommends encouraging or requiring insurers to promote best practices on cost control. Although no legislation has been introduced, insurers are moving in this direction due to market forces.

"We believe this report will help policymakers move forward in their efforts to provide better health care access and affordability for all Oregonians," Ario said.

Legislature

Continued from Page 1

rural physicians for 2004-2007. SB 183 would extend the program for four years with remaining funds, add nurse practitioners, and reduce the premium subsidy amount for some physicians.

Status: SB 183, as amended, passed the Senate May 9 and is pending in the House Business and Labor Committee.

Recent rate activity for top 10 automobile insurers in Oregon

Domicile, direct premium written as of December 2006¹, market share, recent rate changes, effective dates

Company	Dom	Oregon premium	Market share	Rate change ²	New business	Renewal
1 State Farm Mutual Auto Ins Co	IL	336,015,962	17.4%	-3.1%	09/18/06	09/18/06
2 Farmers Ins Co of OR	OR	267,056,373	13.8%	4.5%	02/01/07	02/01/07
3 Safeco Ins Co of OR	OR	144,919,150	7.5%	NA	NA	NA
4 Allstate Ins Co	IL	91,168,387	4.7%	NA	NA ³	NA
5 American Family Mutual Ins Co	WI	75,576,458	3.9%	-0.1%	06/10/06	06/10/06
6 Progressive Universal Ins Co	WI	64,032,294	3.3%	-4.8%	11/28/06	01/27/07
7 Mid-Century Ins Co	CA	63,172,806	3.3%	8.1%	02/01/07	02/01/07
8 Allstate Prop & Cas Ins Co	IL	59,695,158	3.1%	5.4%	02/26/07	04/02/07
9 Progressive Casualty Ins Co	WI	51,682,214	2.7%	2.0%	08/24/06	10/23/06
10 GEICO General Ins Co	MD	45,160,975	2.3%	-1.2%	05/31/07	08/16/07
TOP 10		1,198,479,777	62.0%	0.6%		
TOTAL 288 companies		1,933,395,224				

Recent rate activity for top 10 homeowner insurers in Oregon

Domicile, direct premium written as of December 2006⁴, market share, recent rate changes, effective dates

Company	Dom	Oregon premium	Market share	Rate change ²	New business	Renewal
1 State Farm Fire and Cas Co	IL	135,263,437	25.1%	4.8%	06/15/07	08/01/07
2 Farmers Ins Co of OR	OR	74,724,918	13.9%	NA	NA	NA
3 Safeco Ins Co of OR	OR	34,330,546	6.4%	-3.3%	05/03/07	06/12/07
4 Allstate Ins Co	IL	27,898,294	5.2%	1.4%	04/23/07	06/07/07
5 American Family Mutual Ins Co	WI	23,162,686	4.3%	NA	NA	NA
6 Country Mutual Ins Co	IL	20,872,157	3.9%	-2.0%	05/25/07	05/25/07
7 Allstate Indemnity Co	IL	19,635,475	3.6%	1.0%	04/23/07	06/07/07
8 Foremost Signature Ins Co	MI	18,192,937	3.4%	NA	NA	NA
9 United Services Auto Assoc	TX	11,531,654	2.1%	-17.7%	08/15/06	10/01/06
10 Mutual of Enumclaw Ins Co	WA	9,881,549	1.8%	NA	NA	NA
TOP 10		375,493,653	69.8%	0.9%		
TOTAL 123 companies		538,206,295				

NA Insurer has not filed a rate change in the past 12 months.

¹ Includes motorcycle, light trucks, recreational vehicles, and motor homes. Rate activity is for personal auto insurance.

² Indicates overall rate change. Individual policyholders may experience rate changes higher or lower than the average.

³ As of April 1, 2006, new business is written only in Allstate Property & Casualty Insurance Co. and Allstate Fire and Casualty Insurance Co.

⁴ Includes renters, condos, manufactured homes, and coverages such as boats, golf carts, and jewelry. Rate activity applies to homeowner coverages only.

Enforcement Actions

Recent enforcement actions are summarized below. These and other administrative orders are available on the Insurance Division's Web site, insurance.oregon.gov. Click on *Orders*.

INSURERS

ACE American Insurance Co.

Philadelphia, PA

Violation: Issued a group health insurance policy to unapproved associations.

Penalty: \$15,000 fine

Date of order: April 30, 2007

AF&L Insurance Co.

Warrington, PA

Violation: Issued a group health insurance policy to an unapproved association.

Penalty: \$5,000 fine

Date of order: Oct. 2, 2006

AIG Life Insurance Co.

Wilmington, DE

Violation: Issued a group health insurance policy to unapproved associations.

Penalty: \$10,000 fine

Date of order: Sept. 28, 2006

American-Amicable Life Insurance Co. of Texas

Pioneer American Insurance Co.

Pioneer Security Life Insurance Co.

Waco, TX

Violations: Georgia and Texas insurance regulators alleged that the companies violated insurance or consumer protection statutes in the marketing and sale of life insurance policies to members of the military. The companies entered into a multi-state regulatory settlement agreement (RSA) dated June 8, 2006 with Georgia, Texas, and other state insurance regulators that chose to participate.

Penalty: The companies agreed to pay \$70 million in remedial benefits to policyholders nationwide, cease certain marketing activities, and make periodic reports to regulators.

Date of order: Aug. 21, 2006

American Standard Insurance Co. of Wisconsin

Madison, WI

Violation: Refused to pay a claim without conducting a reasonable investigation.

Penalty: \$3,000 fine

Date of order: Dec. 12, 2006

Bankers Fidelity Life Insurance Co.

Atlanta, GA

Violation: Made a false statement to the DCBS director.

Penalty: \$10,000 fine

Date of order: Sept. 6, 2006

Boston Mutual Life Insurance Co.

Canton, MA

Violations: A multi-state market conduct examination by the insurance regulators of Georgia, Massachusetts, and Texas found problems with the sale and servicing of whole life policies by Boston Mutual to the military market. Boston Mutual entered into a multi-state regulatory settlement agreement, dated May 28, 2006, with the three states and other state regulators that chose to participate.

Penalty: Boston Mutual agreed to pay remedial benefits to policyholders and take corrective actions.

Date of order: July 7, 2006

The Chesapeake Life and Health Insurance Co.

North Richland Hills, TX

Violation: Terminated agents without sufficient notice.

Penalty: \$2,200 fine

Date of order: Sept. 11, 2006

Farmers Insurance Co. of Oregon

Tigard, OR

Mid-Century Insurance Co.

Los Angeles, CA

Violations: A market conduct examination of Farmers and Mid-Century, as of Dec. 31, 2004, found that the companies did not comply with Oregon insurance credit scoring laws and did not handle automobile total loss settlements in accordance with policy provisions, statutes, and rules. Mid-Century also did not comply with claims-handling laws.

Penalty: Each company was fined \$20,000.

Date of order: April 3, 2007

Fidelity National Title Insurance Co.

Jacksonville, FL

Violation: Issued a title insurance policy not in compliance with its approved rate filing.

Penalty: \$10,000 fine

Date of order: March 19, 2007

GEICO General Insurance Co.

Washington, D.C.

Violation: Failed to promptly and equitably settle a claim.

Penalty: \$5,000 fine

Date of order: March 14, 2007

Health Net Health Plan of Oregon, Inc.

Tigard, OR

Violation: Failed to timely or completely respond to inquiries from the DCBS director.

Penalty: \$10,000 fine

Date of order: Oct. 2, 2006

Healthy Alliance Life Insurance Co.

St. Louis, MO

Violation: Issued a group life insurance policy to an unapproved association.

Penalty: \$5,000 fine

Date of order: Feb. 6, 2007

John Alden Life Insurance Co.

Milwaukee, WI

Violations: Failed to apply creditable coverage from prior health insurance policies. Used impermissible information to evaluate the health status of applicants.

Penalty: \$10,000 fine

Date of order: Feb. 13, 2007

Pan-American Life Insurance Co.

New Orleans, LA

Violation: Issued a group health insurance policy to unapproved associations.

Penalty: \$30,000 fine

Date of order: Oct. 11, 2006

Progressive Northern Insurance Co.

Mayfield Village, OH

Violation: Failed to acknowledge and act promptly upon claim communications.

Penalty: \$10,000 fine

Date of order: Dec. 18, 2006

Reliance Standard Life Insurance Co.

Philadelphia, PA

Violation: Issued a group life insurance policy and a group health insurance policy to an unapproved association.

Penalty: \$10,000 fine

Date of order: April 16, 2007

Stonebridge Life Insurance Co.

Plano, TX

Violation: Issued a group health insurance policy to an unapproved association.

Please see ENFORCEMENT, Page 7

Enforcement

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Penalty: \$5,000 fine

Date of order: April 30, 2007

Time Insurance Co. (formerly known as Fortis Insurance Co.)

Milwaukee, WI

Violations: Failed to apply creditable coverage from prior health insurance policies. Refused to pay claims without conducting a reasonable investigation. Used impermissible information to evaluate the health status of applicants. Issued policies using an unapproved form. Failed to timely notify claimants that it needed more time to accept or deny claims.

Penalty: \$60,000 fine

Date of order: Feb. 13, 2007

Title Insurance Co. of Oregon dba First American Title Insurance Co. of Oregon

Portland, OR

Violation: Gave a thing of value to an intermediary.

Penalty: \$4,000 fine

Date of order: Sept. 6, 2006

The United States Life Insurance Company in the City of New York

Houston, TX

Violation: Issued a group health insurance policy to unapproved associations.

Penalty: \$20,000 fine

Date of order: Oct. 2, 2006

RESIDENT PRODUCERS

Best Insurance Consultants, LLC

Portland

Violation: Failed to keep required premium trust account records.

Penalty: \$6,000 fine

Date of order: Oct. 25, 2006

Cascade Title Co.

Eugene

Violation: Offered a rebate on an insurance policy.

Penalty: \$4,000 fine

Date of order: Jan. 9, 2007

Matthew B. Forman

Portland

Violation: Made false statements on insurance applications.

Penalty: \$2,000 fine

Date of order: May 7, 2007

Patsy G. Hanson

Tualatin

Violation: Demonstrated incompetence in the conduct of business as a client executive with Marsh USA, Inc.

Penalty: In lieu of enforcement action, Hanson surrendered her license.

Date of order: April 3, 2007

Karin D. Holpuch

Hermiston

Violation: Failed to respond to an inquiry from the DCBS director.

Penalty: In lieu of enforcement action, Holpuch surrendered her license.

Date of order: Feb. 15, 2007

Lorie A. Kilcup

Milwaukie

Violation: Made a false statement on an insurance application.

Penalty: License revoked

Date of order: Feb. 5, 2007

Debora A. Leopold-Hutchins

Portland

Violation: Demonstrated incompetence in the conduct of business as a client executive with Marsh USA, Inc.

Penalty: \$6,000 fine

Date of order: May 2, 2007

Tim P. O'Neal

Troutdale

Violation: Failed to respond to an inquiry from the DCBS director.

Penalty: License revoked

Date of order: July 24, 2006

Richard D. Pissillo

Coos Bay

Violation: Withheld money from an insurer.

Penalty: License revoked

Date of order: May 15, 2007

Gregory W. Reed

Lake Oswego

Violations: Forged another person's name on an insurance application or related document. Made a false statement to the DCBS director.

Penalty: \$2,000 fine

Date of order: Oct. 3, 2006

Brian S. Rice

Grants Pass

Violations: Placed a newspaper advertisement containing a false statement about insurance. Failed to respond to an inquiry from the DCBS director.

Penalty: License suspended from April 1 to June 30, 2007

Date of order: March 15, 2007

John K. Sandels

Tigard

Violation: Forged a person's name on an application for insurance or a related document.

Penalty: In lieu of enforcement action, Sandels surrendered his license.

Date of order: March 19, 2007

Kenneth I. Tobey, Inc.

Lake Oswego, OR, and Bellevue, WA

Violation: Failed to keep records available for inspection at its principal place of business for the required time period.

Penalty: Ordered to immediately cease and desist from violating the Oregon Insurance Code by altering or discarding insurance business records in any form, or removing them from Oregon and Washington.

Date of order: Oct. 26, 2006

Heather A. VanCleave

Dayton

Violation: Demonstrated incompetence in the conduct of business.

Penalty: \$5,000 fine

Date of order: Oct. 3, 2006

Financial Regulation Section develops information to help new domestics meet filing requirements

The Financial Regulation Section has developed a packet of information to help new domestic insurers better understand financial filing and regulatory requirements. New domestic insurers will receive the packet with their certificate of authority. The packet also is available on the Insurance Division's Web site at www.cbs.state.or.us/ins/insurer/financial_regulation/domestic_insurer-guidelines.pdf.

Annual report provides a snapshot of Oregon insurance marketplace for 2006 calendar year

The 2006 Insurance Division Annual Report is now available on the division's Web site: insurance.oregon.gov.

The report provides a snapshot of the Oregon insurance marketplace for the calendar year. It includes a summary of business by line of insurance, as well as market share data for insurance companies.

In addition, the report includes information about:

- Insurance Division revenues and expenditures
- Insurance company changes, such as new admissions, terminations, suspensions, withdrawals, mergers, and name changes
- Financial and market conduct examinations completed during the year
- Administrative orders
- Condensed financial data for surplus line writers and risk retention groups

Contact persons change for health insurance reports

Contact persons have changed for external review requests and several reports required to be filed by health insurers:

External reviews

Send external review requests and annual reports to exreview.ins@state.or.us. For questions or general correspondence, contact Lisa Dixon, (503) 947-7267, lisa.l.dixon@state.or.us.

Patient Protection Reports

Send reports and correspondence to

mrktsurv@state.or.us. Direct questions to Carla Wagner, (503) 947-7268.

Health Benefit Plan Reports

Send correspondence to mrktsurv@state.or.us. Direct questions to Carla Wagner, (503) 947-7268.

Health Insurance Member Enrollment

Send correspondence to mrktsurv@state.or.us. Direct questions to Carla Wagner, (503) 947-7268.

The *Oregon Insurance Regulator* is published by the Insurance Division of the Department of Consumer & Business Services (DCBS), P.O. Box 14480, Salem, OR 97309-0405.

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