

Office of Market Regulation
Bureau of Market Conduct
Continuum of Regulatory Responses
Year To Date 2009

❖ Targeted Information Letter:	<u>1</u>
❖ Requested a Self-Audit:	<u>2</u>
❖ Data Request / Further Information Gathering & Analysis:	<u>3</u>
❖ Conference Call:	<u>5</u>
❖ No further analysis / Monitor through future analysis:	<u>12</u>
❖ Meeting or Video Conference:	<u>13</u>
❖ Examinations:	<u>19</u>
❖ Interrogatory Letter:	<u>20</u>

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Case Studies

- **Company A:** Insurer was reviewed by the Market Regulation Committee. There were concerns with MCAS data for personal and group A & H specific to various claim handling issues. There was a particular focus on a previous market conduct exam performed by the Department a few years ago that revealed similar problems and concerns related to claim handling complaints. After much discussion the Committee concluded that the best continuum option was a written request to the company to do a complete review of the recommendations indicated in the previous market conduct report. The request included a review of corrective actions that were taken to satisfy the findings in the report and address the recommendations. The company confirmed various self audits were performed along with complaint database enhancements, improved quality processes and training of staff, which has improved regulatory compliance and consumer satisfaction.
- **Company B:** Referral was received from our Health Bureau pertaining to a concern raised with an administrative procedure and incorrectly denying coverage. The health insurer was notified, interviewed and acknowledged noncompliance. Company was asked make a change in the administration of this procedure and to complete a self audit to identify all policyholders impacted by this error. The company complied with the Departments requests and made claim restitution to all impacted consumers.
- **Company C:** Insurer reported to the department that other P & C companies utilizing similar direct marketing strategies were not in compliance with the timeliness of delivery of forms. It was determined that this issue be addressed by the Field Investigations Division. An investigation revealed that one insurer was not complaint. A phone sales process was changed by the company and was finalized through a consent order with a penalty since the company was out of compliance with a previous consent order, resulting from a previous market conduct exam.