

BEFORE THE INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

RECEIVED
INSURANCE DEPARTMENT
2007 MAY -7 PM 12: 04
ADMIN HEARINGS OFFICE

IN RE: : VIOLATIONS:
:
BETHLEN HOME OF THE : 40 Purdons Statutes, Section
HUNGARIAN REFORMED : 3204(a)
FEDERATION OF AMERICA :
125 Kalassay Drive :
Ligonier, PA 15658 :
:
Respondent. : Docket No. CO07-04-014

CONSENT ORDER

AND NOW, this 7th day of May, 2007, this Order is hereby
issued by the Insurance Department of the Commonwealth of Pennsylvania pursuant
to the statutes cited above and in disposition of the matter captioned above.

1. Respondent hereby admits and acknowledges that it has received proper
notice of its rights to a formal administrative hearing pursuant to the Administrative
Agency Law, 2 Pa.C.S. § 101, et seq., or other applicable law.

2. Respondent hereby waives all rights to a formal administrative hearing in this
matter, and agrees that this Consent Order, and the Findings of Fact and Conclusions of
Law contained herein, shall have the full force and effect of an Order duly entered in
accordance with the adjudicatory procedures set forth in the Administrative Agency
Law, supra, or other applicable law.

FINDINGS OF FACT

3. The Insurance Department finds true and correct each of the following Findings of Fact:

- (a) Respondent is Bethlen Home of the Hungarian Reformed Federation of America, and maintains its address at 125 Kalassay Drive, Ligonier, Pennsylvania 15658.
- (b) On October 13, 2006, Respondent submitted an application for a Certificate of Authority to operate as a continuing care retirement community after revising some of its policies, procedures and operational documents.
- (c) During a review of Respondent's 2006 application for registration and subsequent investigation, the Department determined that Respondent should have applied for a Certificate of Authority prior to the October, 2006 submission.
- (d) Respondent has been operating as a continuing care retirement community without a Certificate of Authority.

CONCLUSIONS OF LAW

4. In accord with the above Findings of Fact and applicable provisions of law, the Insurance Department concludes and finds the following Conclusions of Law:

- (a) Respondent is subject to the jurisdiction of the Pennsylvania Insurance Department.
- (b) 40 Purdons Statutes, Section 3204(a), prohibits a provider from engaging in the business of providing continuing care in this Commonwealth without a certificate of authority, obtained from the Commissioner.
- (c) Respondent's activities described above in paragraph 3(c) constitute acting as a continuing care provider without possessing a certificate of authority, in violation of 40 Purdons Statutes, Section 3204(a).
- (d) Respondent's violations of 40 Purdons Statutes, Section 3204(a) are punishable under Section 3205(a)(1), by revocation of a certificate of authority, and under 40 Purdons Statutes, Section 3222, by a \$10,000 fine.

ORDER

5. In accord with the above Findings of Fact and Conclusions of Law, the Insurance Department orders and Respondent consents to the following:

- (a) Respondent shall cease and desist from engaging in the activities described herein in the Findings of Fact and Conclusions of Law.
- (b) Respondent shall pay a civil penalty of One Thousand Dollars (\$1,000.00) to the Commonwealth of Pennsylvania. This penalty shall be made payable to the Commonwealth of Pennsylvania, and directed to Sharon L. Fraser, Office Manager, Bureau of Enforcement, 1227 Strawberry Square, Harrisburg, Pennsylvania 17120. Payment may be enclosed with the Consent Order, but must be paid in any event no later than thirty (30) days after the date of the Consent Order.

6. In the event the Insurance Department finds that there has been a breach of any of the provisions of this Order, based upon the Findings of Fact and Conclusions of Law contained herein, the Department may pursue any and all legal remedies available, including but not limited to the following: The Department may enforce the provisions of this Order in an administrative action pursuant to the Administrative Agency Law, supra, or other relevant provision of law; or, if applicable, the Department may enforce

Department may enforce the provisions of this Order in any other court of law or equity having jurisdiction.

7. Alternatively, in the event the Insurance Department finds that there has been a breach of any of the provisions of this Order, the Department may declare this Order to be null and void and, thereupon, reopen the entire matter for appropriate action pursuant to the Administrative Agency Law, supra, or other relevant provision of law.

8. In any such enforcement proceeding, Respondent may contest whether a breach of the provisions of this Order has occurred but may not contest the Findings of Fact and Conclusions of Law contained herein.

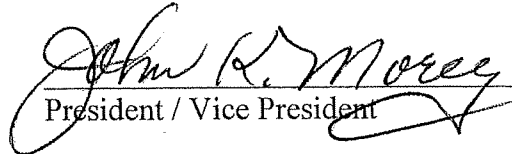
9. Respondent hereby expressly waives any relevant statute of limitations and application of the doctrine of laches for purposes of any enforcement of this Order.

10. This Order constitutes the entire agreement of the parties with respect to the matters referred to herein, and it may not be amended or modified except by an amended order signed by all the parties hereto.

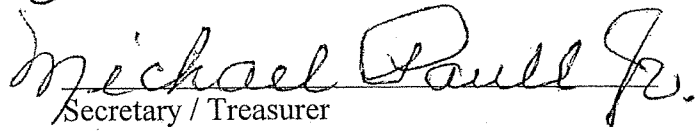
11. This Order shall be final upon execution by the Insurance Department. Only the Insurance Commissioner or a duly authorized delegate is authorized to bind the Insurance Department with respect to the settlement of the alleged violations of law

contained herein, and this Consent Order is not effective until executed by the Insurance Commissioner or a duly authorized delegee.

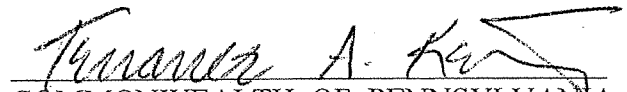
BY: BETHLEN HOME OF THE HUNGARIAN
REFORMED FEDERATION OF AMERICA,
Respondent



President / Vice President



Secretary / Treasurer



COMMONWEALTH OF PENNSYLVANIA
By: Terrance A. Keating
Deputy Chief Counsel