

**STATE OF NORTH DAKOTA**  
**BEFORE THE INSURANCE COMMISSIONER**

<b>In the Matter of</b>	)	
	)	
<b>United National life Insurance Company,</b>	)	<b>CONSENT ORDER</b>
<b>FEIN 37-1095206,</b>	)	
<b>NAIC 92703,</b>	)	<b>FILE NO. CO-12-346</b>
	)	
<b>Respondent.</b>	)	

Insurance Commissioner Adam Hamm, hereinafter "Commissioner", has determined as follows:

1. The Commissioner has authority in this matter pursuant to N.D.C.C. Title 26.1.
2. The Commissioner has jurisdiction over the Respondent and the subject matter of this Consent Order, and this Consent Order is made in the public interest.
3. United National Life Insurance Company, FEIN 37-1095206 ("Respondent"), is a foreign insurance company duly authorized to do business in North Dakota since July 1981.
4. Respondent is an Illinois domiciled life, accident, and health insurer and is authorized to do business in 20 other states.
5. On October 11, 2010, the North Dakota Insurance Department ("Department") disapproved Respondent's rate increase request GRTT-126790265 for Medicare supplement insurance.

6. On or about January 18, 2012, the Department learned that Respondent had implemented the disapproved rate increase.

7. No insurance policy, contract, or agreement may be issued or delivered in this state until the form of that policy, contract, or agreement has been filed with and approved by the Commissioner. N.D.C.C. § 26.1-30-19(1). Respondent's implementation of a disapproved rate increase is a violation of state law. This practice violated the requirement that no rate may be charged until the Commissioner approves such rate.

8. Respondent has been duly apprised of all allegations contained in the Commissioner's order.

9. These violations constitute grounds for the Commissioner to impose a civil penalty and issue an order to Respondent to cease and desist from implementing an unapproved rate increase in violation of N.D.C.C. § 26.1-30-19.

10. Respondent and the Commissioner have agreed to an informal disposition of this matter without further administrative proceedings, as provided by N.D.C.C. § 28-32-22, and enter into the following Consent Order.

**BY AGREEMENT OF THE PARTIES, IT IS ORDERED THAT:**

1. Respondent agrees to immediately stop its practice of implementing the Medicare supplement insurance rate increase request GRTT-126790265 which was disapproved by the Commissioner on October 11, 2010.

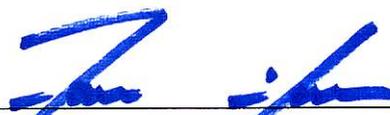
2. Respondent agrees to refund the entire amount of the unapproved rate increase to affected policyholders within 30 days of the execution of this Order.

3. The Respondent agrees that it shall not implement any rate until it files the appropriate forms with, and receives the approval of, the Commissioner.

4. Respondent shall, in lieu of other disciplinary action against its Certificate of Authority, pay an administrative penalty in the sum of \$7,500 to the State of North Dakota within 30 days of the execution of this Order. Payment must be mailed to: North Dakota Insurance Department, 600 East Boulevard Avenue, Dept. 401, Bismarck, ND 58505-0320.

5. The use of this Consent Order for competitive purposes by an insurance producer or agency holding a license in the State of North Dakota, or by any company holding a Certificate of Authority, or by anyone on their behalf, may be deemed unfair competition and be grounds for suspension or revocation of said license or authority.

DATED this 4<sup>th</sup> day of JUNE, 2012.

  
\_\_\_\_\_  
Adam Hamm  
Commissioner  
N.D. Insurance Department

### CONSENT TO ENTRY OF ORDER

The undersigned, Robert Baluk, on behalf of United National Life Insurance Company ("the Company"), states that the undersigned has read the foregoing Consent Order and is authorized by the Company to consent to the entry of this Order. The undersigned, on behalf of the Company, fully understands the contents and effect of the Consent Order. The Company has been advised of its right to be represented by legal counsel, to request a hearing in this matter, to present evidence



and arguments to the Commissioner, and of its right to appeal from an adverse determination after hearing. That by the signing of this Consent to Entry of Order the undersigned waives those rights in their entirety and consents to the entry of this Consent Order by the Commissioner and agrees to be bound by it. It is further expressly understood that this Consent Order constitutes the entire settlement agreement between the parties hereto, there being no other promises or agreements, either express or implied.

DATED this 15<sup>TH</sup> day of MAY, 2012.

United National Life Insurance Company

By: Robert Baluk RB

Title: Secretary

Subscribed and sworn to before me this 15<sup>th</sup> day of May, 2012.

County of Cook

State of Illinois

Morgan Winskill  
Notary Public

My Commission Expires: 10.30.12



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