



State of Connecticut

Insurance Department

THOMAS R. SULLIVAN
COMMISSIONER

OFFICIAL NEWS RELEASE

FOR IMMEDIATE RELEASE
July 21, 2008

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CONNECTICUT INSURANCE REGULATORS PARTICIPATE IN MULTISTATE EXAM

The Connecticut Insurance Department is a participating regulator with 29 other states in a \$20 million national settlement against HealthMarkets, Inc. and its affiliated companies; Mega Life and Health Insurance Company, Mid-West National Life Insurance Company of Tennessee, and the Chesapeake Life Insurance Company.

Alleged violations related to marketing and sales, agent training, claims handling, and complaint handling practices were reviewed through a three-year multi-state examination. HealthMarkets, Inc. may face additional penalties, up to \$10 million, if performance standards do not comply with those outlined in the order.

This settlement is another example of state regulation in action," Connecticut Insurance Department Commissioner Thomas R. Sullivan stated, "Consumers across the nation will be better protected as part of this collaborative effort."

It is estimated that Connecticut will receive up to \$250,000 of the total fine based on direct written premium, of the named companies, in Connecticut, and will be deposited into the general fund.

ABOUT THE CONNECTICUT INSURANCE DEPARTMENT

The mission of the Connecticut Insurance Department is to serve consumers in a professional and timely manner by providing assistance and information to the public and to policy makers, by regulating the insurance industry in a fair and efficient manner which promotes a competitive and financially sound insurance market for consumers, and by enforcing the insurance laws to ensure that consumers are treated fairly and are protected from unfair practices.

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