

AUG 22 2016

BEFORE THE DEPARTMENT OF INSURANCE  
STATE OF NEBRASKA

FILED

STATE OF NEBRASKA	)	
DEPARTMENT OF INSURANCE,	)	
	)	CONSENT ORDER
PETITIONER,	)	
	)	
VS.	)	CAUSE NO. C-2216
	)	
CONTINENTAL CASUALTY COMPANY	)	
(NAIC #20443),	)	
	)	
RESPONDENT.	)	

In order to resolve this matter, the Nebraska Department of Insurance (“Department”), by and through its attorney, Robert M. Bell, and Continental Casualty Company (“Respondent”), mutually stipulate and agree as follows.

JURISDICTION

1. The Department has jurisdiction over the subject matter and Respondent pursuant to Neb. Rev. Stat. § 44-101.01, 44-135, and 44-303 et. seq. Said jurisdiction and control have been present at all times material hereto.

2. Respondent is an Illinois domiciled licensed insurance company licensed to engage in the business of insurance in the State of Nebraska.

STIPULATIONS OF FACT

1. The Department initiated this administrative proceeding by filing a petition captioned State of Nebraska Department of Insurance vs. Continental Casualty Company, Cause Number C-2216, on June 29, 2016. A copy of the Petition and Notice of Hearing was served upon Respondent’s agent for service of process, Jonathan D. Kantor, 333 S. Wabash Avenue, 43S, Chicago, IL 60604, by certified mail, return receipt requested.

2. On August 15, 2016, the Department filed an Amended Petition and Amended Notice of Hearing captioned State of Nebraska Department of Insurance vs. Continental Casualty Company, Cause Number C-2216. A copy of the Amended Petition and Amended Notice of Hearing was served upon Respondent's agent for service of process, Jonathan D. Kantor, 333 S. Wabash Avenue, 43S, Chicago, IL 60604, by certified mail, return receipt requested.

3. The Department has jurisdiction over Respondent in the above-described administrative proceeding.

4. The Department alleged in the Amended Petition that Respondent's conduct as outlined in Paragraphs 14 through 17, in connection with the Department's investigation of four complaints submitted by consumers in 2013, specifically Department File Numbers 13-0690, 13-1043, 13-1058 and 13-1249, resulted in multiple violations Neb. Rev. Stat. §§ 44-1539, 1540(3), 1540(4), and 1540(8) and Title 210 Neb. Admin. Code §§ 61-007.01, 008.02, and 008.03.

5. The Department alleged in Paragraph 18 of the Amended Petition that a limited scope market conduct examination of Respondent by the Department focused on, but not limited to, Respondent's long-term care line of insurance during the period of January 1, 2014 to December 31, 2014, found violations of Neb. Rev. Stat. § 44-1539, Title 210 Neb. Admin. Code §§ 61-004.02, 006.01, 006.03, 007.02, 008.02, 008.03.:

6. The Department and Respondent agree that the conduct referenced in paragraphs four and five represent separate filings but have been consolidated into one proceeding in order to avoid unnecessary expense and loss of time.

7. In the spirit of cooperation and in order to avoid further expense and loss of time, Respondent enters into this Consent Order freely and voluntarily. Respondent was informed of its right to a public hearing. Respondent waives its right to a hearing and acknowledges that by doing

so, Respondent also waives its right to confrontation of witnesses, production of evidence, and judicial review.

8. Respondent neither admits nor denies the allegations set forth in the Amended Petition and Amended Notice of Hearing and is willing to amicably resolve all pending matters to avoid the uncertainty and expense of litigation. Nevertheless, Respondent avers that it has taken steps to remediate the Department's concerns with regard to the allegations in the Amended Petition.

#### CONCLUSIONS OF LAW

Respondent's conduct as alleged above constitutes a violation of Neb. Rev. Stat. §§ 44-1539, 44-1540(2), (3), (4), and (8), and Title 210 Neb. Admin. Code §§ 61-004, 61-006.01, 61-006.03, 61-007.01, 61-008.02, and 61-008.03 and is subject to disciplinary action pursuant to Neb. Rev. Stat. § 44-1542.

#### CONSENT ORDER

It is therefore ordered by the Director of Insurance and agreed by the Respondent, Continental Casualty Company, that:

1. Respondent shall pay a monetary penalty of fifty thousand dollars (\$50,000) due within thirty (30) days after the Director of Insurance or his designee approves and signs this consent order.
2. Respondent shall comply with all the recommendations contained within the Market Conduct Limited-Scope Examination Report of the Continental Casualty Company filed January 28, 2016.

The Department of Insurance will continue to retain jurisdiction over this matter. If respondent fails to pay the amount or fulfill the other obligations required as specified under this



CERTIFICATE OF ADOPTION

I hereby certify that the foregoing Consent Order is adopted as the Final Order of the Nebraska Department of Insurance in the matter of State of Nebraska Department of Insurance vs. Continental Casualty Company, Cause No. C-2216.

STATE OF NEBRASKA  
DEPARTMENT OF INSURANCE

*Bruce R. Ramge*

BRUCE R. RAMGE

Director of Insurance

*8-22-2016*

Date

CERTIFICATE OF SERVICE

I certify that an additional copy of the foregoing Consent Order was provided to Respondent by mailing a copy to Respondent's agent for service of process registered with the Department, Jonathan D. Kantor, at 333 S. Wabash Avenue, 43S, Chicago, IL 60604, by certified mail, return receipt requested, on this 22 day of August, 2016.

*Brandis J. Cousse*