STATE OF NEBRASKA
DEPARTMENT OF INSURANCE

NOV 24 2026

FILED

BEFORE THE DEPARTMENT OF INSURANCE
STATE OF NEBRASKA

STATE OF NEBRASKA DEPARTMENT OF INSURANCE, PETITIONER, VS. BANKERS FIDELITY LIFE INSURANCE COMPANY (NAIC #61239), RESPONDENT.	)	CONSENT ORDER CAUSE NO. C-3198

In order to resolve this matter, the Nebraska Department of Insurance ("Department"), by and through its representative, Michael W. Anderson, and Bankers Fidelity Life Insurance 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, §44-303 and §44-4047, et seq.

2. Respondent was licensed as an insurer under the laws of Nebraska at all times material hereto.

BACKGROUND AND DEPARTMENT ALLEGATIONS

1. The Department initiated this administrative proceeding by filing a petition styled State of Nebraska Department of Insurance vs. Bankers Fidelity Life Insurance Company, Cause Number C-3198.

2. The Department alleges that Respondent violated Neb. Rev. Stat. § 44-1524 via Neb. Rev. Stat. § 44-1525(11), and is therefore subject to the violation provisions of Neb. Rev. Stat. § 44-1529(1) for nineteen (19) alleged violations of the Unfair Insurance Trade Practices Act, arising from the following five complaints. Respondent enters into this Order solely to resolve the matter by agreement:

A. Complaint received under State tracking ID 39713, accounting for four violations of the Unfair Insurance Trade Practices Act.

1. On April 28, 2026, the Nebraska Department of Insurance received a complaint concerning Bankers Fidelity Life Insurance Company.
2. On April 29, 2026, a setup letter was sent to Bankers requesting records pertaining to the complaint.
3. On May 21, 2026, 16 business days later, Respondent submitted their first response, which was determined to be incomplete for missing the items listed by letter, and a follow-up with the company was sent on that same date.
4. On June 15, 2026, after a failure of Respondent to provide a response in 15 business days (16 business days), a follow-up inquiry was sent repeating the previous request.
5. On June 29, 2026, a second response was received, indicating that delays in claim processing were due in part to instances of data entry inaccuracies. This response also did not contain the requested timeline of contact with the complainant along with copies of all correspondence and call logs/recordings.
6. On July 1, 2026, a third inquiry was sent to the Respondent, repeating a request for the missing documentation.

7. After a delay of greater than 15 business days (17 business days), on July 27, 2026, Petitioner's Office followed up with the Respondent, who replied by email that same date requesting a 4-day extension. This request was in-part denied but Respondent was given an extra day to provide a response.
8. Also on July 27, 2026, the requested call recordings were provided, however the Respondent did not provide the other requested information.
9. On July 28, 2026, Respondent provided a final complete response indicating that there were no other records to provide.
10. The Department alleges that Respondent's actions concerning this complaint constitute four violations of the Unfair Insurance Trade Practices Act; Respondent does not admit that characterization.

B. Complaint received under State tracking ID 39751, accounting for five violations of the Unfair Insurance Trade Practices Act.

1. On May 5, 2026, NDOI received a complaint regarding Bankers and an alleged failure to pay bills approved by Medicare.
2. On May 5, 2026, an initial inquiry was sent to the Respondent requesting certain documentation and a response to the complaint.
3. On May 27, 2026, NDOI received a response from Respondent detailing their handling of the complainant's claim, but no call log was provided as requested.
4. Also on May 27, 2026, a follow-up request was sent, requesting a claim itemization including claim receipt date, and reiterating a request for call logs with the complainant and/or involved providers.

5. On June 16, 2026, a second response was received from the Respondent, providing certain requested information, but again failing to either produce the call log or provide a reason for failure to maintain such record.
6. On June 23, 2026, another follow-up request was sent to the Respondent, requesting further information and reiterating once again a request for the call logs.
7. On July 14, 2026, Respondent requested an extension to July 22, 2026, to provide a response. This request was granted.
8. On July 22, 2026, Respondent requested a further 3-day extension to July 27. This request was also granted.
9. On July 28, 2026, after having received no response from Respondent, contact was made with the Respondent, who provided a response on that date. This response was also deemed incomplete and did not contain the requested call log.
10. On August 11, 2026, another follow-up was sent to the Respondent requesting additional information as well as the requested call log.
11. On September 1, 2026, no response was received after 15 business days, an additional follow-up was sent to the Respondent, which was followed by an email the next day, September 2.
12. On September 3, 2026, Respondent provided a response, containing an apology for being late, and providing some of the requested information. That same date they were informed of other deficiencies with their response, including failure to provide the call log.
13. On September 11, 2026, a follow-up response was received from Respondent which included the requested call log and other requested documentation.

14. The Department alleges that Respondent's actions concerning this complaint constitute five violations of the Unfair Insurance Trade Practices Act; Respondent does not admit that characterization.

C. Complaint received under State tracking ID 39782, accounting for four violations of the Unfair Insurance Trade Practices Act

1. On May 8, 2026, the Nebraska Department of Insurance received a complaint regarding claims handled by Bankers Fidelity Life Insurance.
2. On May 11, 2026, a setup letter was sent to Bankers Fidelity Life Insurance Company via email.
3. On June 1, 2026, a response was received from Bankers. This response was missing several items specifically requested in the setup letter.
4. On June 3, 2026, another request was sent to Bankers for the missing information.
5. On June 18, 2026, a response was received referencing attachments, but no such attachments were received.
6. On June 24, 2026, NDOI followed up with Bankers requesting the referenced attachments.
7. On July 21, 2026, after a delay of 18 business days, a response was received from Bankers, which contained the missing attachments, however additional information previously requested was still missing.
8. On July 22, 2026, NDOI followed up requesting that Bankers provide the missing information.

9. On July 23, 2026, Bankers contacted the Department requesting clarification on what items were required. On that same date, NDOI repeated its previous request for the missing items.
10. On August 17, 2026, after having received no response from Bankers, a follow-up email was sent to request a status on the pending response.
11. On August 25, 2026, and after a delay of 17 business days, an additional response was received from Bankers, which was still missing the following information:
    a. Copy of all correspondence and EOBs sent to complainant regarding these claims.
    b. Copies of all EOBs sent to the provider on these claims including any correspondence sent on unpaid claim # 2026000634779.
12. On August 26, 2026, NDOI sent a final request for the missing items.
13. On September 16, 2026, Bankers provided their final complete response.
14. The Department alleges that Respondent's actions concerning this complaint constitute four violations of the Unfair Insurance Trade Practices Act; Respondent does not admit that characterization.

D. Complaint received under State tracking ID 39844, accounting for four violations of the Unfair Insurance Trade Practices Act

1. On May 15, 2026, the Nebraska Department of Insurance ("NDOI") received a complaint regarding claims handled by Bankers Fidelity Life Insurance ("Bankers"). That same date, an initial inquiry was sent to Bankers requesting information about the claims listed in the complaint.

2. On June 2, 2026, NDOI received a response from Bankers, which contained information for dates of service not referenced in the complaint.
3. On June 3, 2026, a follow up inquiry was sent to Bankers repeating the initial request.
4. On June 25, 2026, NDOI received a second response from Bankers, dated June 22, 2026, which contained the appropriate Explanation of Benefits ("EOBs") for the complaint. In that response, Bankers claims that failure to pay those claims was based on Medicare not providing the ICN number for the bills to be paid.
5. On July 9, 2026, NDOI sent a second follow up inquiry, specifically requesting, among other things, a copy of the "5/13/2026: Notice issued for DOS 2/12/2026 indicating the Medicare adjudication document submitted did not contain the ICN"
6. On August 4, 2026, a third follow up letter was sent to Bankers to assure that the July 9, 2026 letter and attachments were received.
7. Also on August 4, 2026, NDOI received an email response from Bankers, along with an extension request.
8. This extension request was received 18 business days after the July 9 inquiry, which is greater than the 15 business days allowed by statute. Nevertheless, the extension was granted as a courtesy.
9. On August 10, 2026, and by two separate emails, Bankers provided a response which included original EOBs for dates of service 12/9/2025, 10/14/2025, and 2/12/2026, showing no payment, and a statement that multiple claims had been reprocessed.
10. Despite this claim, no additional EOBs were provided to verify any payment made by Bankers towards these claims.

11. On August 11, 2026, NDOI sent another inquiry to Bankers requesting documentation of the reprocessed claims, and confirmation that the claims were paid.
12. This inquiry also repeated the prior request for the Medicare adjudication document allegedly sent out on March 21, 2026, and the notice allegedly issued on May 13, 2026 indicating that an ICN was not received in the Medicare documentation.
13. On August 18, 2026, an email response was received from Bankers, which again failed to state whether the reprocessed claims were paid, failed to include all of the requested EOBs, and failed to include the Medicare adjudication documentation and notice previously requested.
14. On August 18, 2026, another inquiry was sent to Bankers requesting an immediate response including the missing documents.
15. On August 20, 2026, a final email attempt was made to follow up on the prior requests. A complete response was eventually received.
16. The Department alleges that Respondent's actions concerning this complaint constitute four violations of the Unfair Insurance Trade Practices Act; Respondent does not admit that characterization.

E. Complaint received under State tracking ID 40092, accounting for two violations of the Unfair Insurance Trade Practices Act.

1. On June 25, 2026, NDOI received a complaint concerning Bankers and their handling of a claim.
2. On June 25, 2026, a setup letter was sent to Bankers via email.
3. On July 17, 2026, Bankers requested an extension to July 24, 2026 for a response to be provided. This request was granted.

4. On July 28, 2026, after no response was received from Bankers, a follow-up email was sent.
5. On July 28, 2026, Bankers provided their initial response.
6. On July 31, 2026, NDOI sent a second inquiry via email requesting additional information.
7. On August 24, 2026, after a delay of 16 business days and after having received no response from Bankers, a follow-up email was sent.
8. On September 1, 2026, Bankers provided their complete response.
9. The Department alleges that Respondent's actions concerning this complaint constitute two violations of the Unfair Insurance Trade Practices Act; Respondent does not admit that characterization.

CONCLUSIONS OF LAW

The Department alleges that the conduct described above constitutes nineteen (19) violations of Neb. Rev. Stat. § 44-1524 via Neb. Rev. Stat. §44-1525(11), and that Respondent is therefore subject to the violation provisions of Neb. Rev. Stat. § 44-1529(1) for nineteen (19) violations of the Unfair Insurance Trade Practices Act. In entering into this stipulation, Respondent does not admit the alleged violations, the characterization of its conduct as an unfair insurance trade practice, or the existence of a general business practice or conscious disregard of the Act. The parties enter into this Consent Order to compromise disputed issues, avoid the burdens and expense of further proceedings, and fully resolve the matters expressly identified herein. This Order does not constitute an adjudication of liability on the merits.

CONSENT ORDER

It is therefore Ordered by the Director of Insurance and agreed by Respondent that:

1. Respondent agrees to pay an administrative penalty of $9,500 within thirty (30) calendar days after the effective date of this Consent Order, in a manner designated by the Department.
2. Respondent acknowledges its obligation to comply with the Nebraska Unfair Insurance Trade Practices Act. Any alleged future violation shall be evaluated independently under applicable law, including the statutory requirements for any enhanced penalty. Nothing in this Order constitutes a determination that future conduct is flagrant or in conscious disregard of the Act.
3. The Department shall retain jurisdiction solely to interpret and enforce the express terms of this Consent Order.
4. Upon timely payment of the administrative penalty, this Consent Order shall constitute the full and final resolution of all administrative allegations under Neb. Rev. Stat. §§ 44-1524 and 44-1525(11) arising from the handling of Department inquiries associated with State tracking IDs 39713, 39751, 39782, 39844, and 40092, based on conduct occurring on or before the effective date of this Order. This provision does not limit the Department's authority concerning distinct conduct or material facts not previously known to the Department.
5. This Consent Order relates solely to Respondent's handling of the Department inquiries identified herein. It does not constitute an admission or finding regarding the validity, amount, timeliness, payment, denial, or other handling of any underlying insurance claim.

6. Neither this Consent Order nor the allegations resolved by it shall predetermine factual findings, statutory violations, or penalty classifications in any separate market conduct examination or future enforcement proceeding; any such matters shall be considered independently under applicable law.
7. Respondent has provided the Department with the information attached hereto as Exhibit A, entitled "Complaint Reporting and Response Process Enhancements," to illustrate the significant steps Respondent has taken to address the regulatory response and complaint-handling issues identified by the Department. Those measures include increased reporting frequency, additional Compliance Department staffing, centralized complaint tracking, daily prioritization and escalation, and weekly senior-management reporting. Exhibit A is provided for informational purposes to document Respondent's corrective efforts and shall not constitute an admission of any alleged statutory violation or create enforceable obligations independent of the express terms of this Consent Order.

In witness of their intention to be bound by this Consent Order, each party has executed this document by subscribing their signatures below.

Michael W. Anderson, #25671
Attorney for Petitioner
1526 K Street, Suite 200
Lincoln NE 68501
(402) 471-2201

11/24/2026
Date

Andrew Boron
General Counsel
Bankers Fidelity Life Insurance Company

November 23, 2026
Date

State of Georgia)
) ss.
County of Dekalb)

On this 23rd day of November, 2026, ANDREW BORON personally appeared before me and read this Consent Order, executed the same, and acknowledged the same to be his voluntary act and deed.

ANDRE SMITH
NOTARY PUBLIC
Fulton County
State of Georgia
My Comm. Expires January 16, 2029

Notary Public

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. Bankers Fidelity Life Insurance Company (NAIC #61239), Cause No. C-3198.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE

Eric Dunning
Director of Insurance

11/24/26
Date

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Consent Order was served upon Respondent by mailing a copy to the registered agent for service of process at 5601 South 59th Street, Lincoln, Nebraska 68516, by certified mail, return receipt requested, by regular U.S. mail, and via email to Respondent's counsel, Andrew Boron at aboron@bflic.com, on this 24th day of November, 2026.

Shelly Stone

EXHIBIT A

Complaint Reporting and Response Process Enhancements

Information provided by Bankers Fidelity Life Insurance Company

We would like to provide an overview of the enhancements we have made to our complaint reporting and response process. Our intent is to provide greater transparency into the improvements implemented and to demonstrate the importance we place on accurate, timely, and responsive handling of your requests.

Below is an updated overview of the complaint reporting process, including the reporting timeline, staffing enhancements, and current workflow.

Complaint Reporting Timeline

- Weekly complaint reporting began in February 2025.
- Daily complaint reporting began in July 2026.

Staffing Changes

Initially, complaint management and response coordination represented only a portion of one staff member's responsibilities. As complaint volume increased, two additional staff members were onboarded to the Compliance Department in July and August 2026 to provide additional support.

As part of their respective roles, these staff members assist the primary complaint handler with logging complaints, coordinating with subject matter experts (SMEs), tracking required information, and communicating with the applicable state Departments of Insurance (DOIs). This additional support is consistent with the operational need identified in July, when the team was managing a growing number of DOI complaints with short response windows and significant documentation requirements.

Complaint Reporting

Complaint reporting currently operates under two cadences: daily reporting and weekly reporting. The daily reporting function is primarily focused on complaint intake, logging, review, assignment, and ongoing workflow management.

As complaints are received from the respective regulatory bodies throughout the day, they are entered into the Complaint Tracker on the Compliance SharePoint site. The tracker feeds the Power BI dashboard used to provide reporting visibility. To support workflow management and follow-up, complaint information in the tracker is also recorded in Asana.

Complaint data collected includes, but is not limited to:

- Date received
- Date logged
- Assigned respondent
- Complainant
- Affected policy number
- Product type
- Plan type
- General complaint type
- Complaint subtype
- General disposition
- Response due date
- Response submitted date
- Allotted timeframe for response
- The latest extension request

Daily Complaint Review

Each business day begins with a review of complaints received during the previous business day, along with the status of all open complaints. Complaints are prioritized and managed using the following criteria:

- Complaints awaiting SME feedback with a deadline within five days and no approved extension receive the highest priority.

- Complaints in need of an extension are requested from the applicable DOI when an incomplete response cannot be provided by the assigned due date despite follow-up and escalation. Any such request is made no later than three business days before the required response to the DOI.

- Complaints that have not received SME feedback are identified for internal follow-up.

- Complaints that are ready for final review are discussed and removed from the daily report once they are ready for submission to the DOI.

Following the morning review, Compliance distributes the daily complaint report to the business units responsible and relevant Compliance staff. The report lists each open complaint with its assigned Compliance respondent, assigned business unit, state, and response due date.

Weekly Reporting

The weekly reporting process focuses on maintaining the complaint log, reviewing activity, and providing senior leadership with visibility into complaint trends. Each week, a capture of the Power BI dashboard is distributed to senior leadership. The dashboard draws from the daily complaint log and provides an annual view of complaint activity.

This structure provides a consistent daily process for identifying time-sensitive complaints and required follow-up while giving senior leadership a broader weekly view of complaint volume, trends, and response performance.

The combination of daily monitoring, weekly reporting, centralized tracking, Power BI visibility, and Asana workflow management is intended to provide clearer ownership and oversight as complaint volume and regulatory response requirements continue to evolve.