

56356
2326

**STATE OF MINNESOTA
COMMISSIONER OF COMMERCE**

CONSENT ORDER

In the Matter of the Certificates of Authority of Transamerica Life Insurance Company (NAIC No. 86231) and Transamerica Premier Life Insurance Company (NAIC No. 66281), both Iowa entities licensed to do business in the State of Minnesota

To: Ms. Carole Trostl
Compliance Manager
Transamerica Life Insurance Company
440 Mamaroneck Avenue
Harrison, NY 10528

Commissioner of Commerce Steve Kelley (Commissioner) states as follows.

1. The Commissioner has advised Transamerica Life Insurance Company (NAIC No. 86231) and Transamerica Premier Life Insurance Company (NAIC No. 66281) that he is prepared to commence formal action, pursuant to Minn. Stat. §§ 45.027 and 60A.031 (2018) and other applicable law, against the companies' certificates of authority to engage in the business of insurance in Minnesota based on the Department of Commerce's (Department's) market conduct examination number 963.

2. PFL Life Insurance Company obtained a certificate of authority in Minnesota on November 17, 1976.

3. Monumental Life Insurance Company obtained a certificate of authority in Minnesota on August 14, 1979.

4. Effective March 1, 2001, PFL Life Insurance Company changed its name to Transamerica Life Insurance Company.

5. Effective December 31, 2001, Bankers United Life Assurance Company (BULAC)

EXAM # 963

merged with Life Investors Insurance Company of America (Life Investors). Both BULAC and Life Investors were affiliates of Transamerica Life Insurance Company.

6. Effective October 1, 2008, Transamerica Occidental Life Insurance Company merged into Transamerica Life Insurance Company.

7. Effective October 2, 2008, Life Investors merged into Transamerica Life Insurance Company.

8. Effective July 31, 2014, Monumental Life Insurance Company changed its name to Transamerica Premier Life Insurance Company.

9. Long-term care policies were issued by PFL Life, BULAC, Life Investors, and Monumental Life. Transamerica Life Insurance Company acquired the contracts at the time of the various mergers as set forth above.

10. Transamerica Life Insurance Company and Transamerica Premier Life Insurance Company are hereinafter collectively referred to as Transamerica.

11. In 2015, the Department began receiving an increase in long-term care insurance (LTC) complaints involving Transamerica's claim handling issues.

12. Transamerica provides care coordination (CC) to its claimants. The CC services may include: onsite assessment(s) of an insured's condition; development of a plan of care; and assisting with the selection of care providers. The CC is performed by independent third-party contractors that provide CC services to the long-term care industry. Transamerica maintains that providing the CC as part of the claims process is a benefit for insureds.

13. As a result of the LTC complaints, market conduct examination began in January of 2017 into Transamerica's LTC claim activities.

14. As a result of the Department's examination, the Department alleges that:

A. In some instances, Transamerica's vendor did not properly identify itself and

its role when attempting to obtain information from insureds' physicians about the insureds, and when attempting to obtain the physician's signature on the plan of care document in violation of Minn. Stat. § 72A.493.

B. In some instances, Transamerica did not apprise insureds, at the time of notice of a claim, of all available benefits provided by the policy and the proof of loss documentation the insured must supply in order to ascertain eligibility in violation of Minn. Stat. § 72A.201, Subd. 4(5) (2018).

C. In some instances, Transamerica did not accept or deny claims within 30 business days or provide required updates in violation of Minn. Stat. § 72A.201, Subd. 4(3)(i) (2018).

D. In some instances, Transamerica did not apprise insureds of the specific policy provision upon which the claim was denied, in violation of Minn. Stat. § 72A.201, Subd. 8(1) (2018).

E. In some instances, Transamerica did not issue payment within the time required by law on claims for which the insured had been determined to be eligible for benefits in violation of Minn. Stat. § 62Q.75 (2018).

F. In some instances, Transamerica did not retain fax cover sheets or other miscellaneous documents in violation of Minn. Stat. § 72A.20, Subd. 30 (2018).

15. Transamerica acknowledges that it has been advised of its right to a hearing in this matter, to present argument to the Commissioner, and to appeal from any adverse determination after a hearing. Transamerica hereby expressly waives those rights. Transamerica further acknowledges that it has been represented by legal counsel throughout these proceedings.

16. With respect to the above-referenced allegations, there has been no hearing, findings of facts, or conclusions of law. This Consent Order represents a settlement of the parties'

disputes regarding these allegations.

17. Transamerica has agreed to informal disposition of this matter without a hearing as provided under Minn. Stat. § 14.59 (2018) and Minn. R. 1400.5900 (2017).

18. The following Order is in the public interest.

NOW, THEREFORE, IT IS HEREBY ORDERED that Transamerica shall, within 60 days of the date of this order, establish a corrective action plan, which shall be administered under Minnesota Laws, specifically Minn. Stat. § 60A.031 (2018). The corrective action plan will establish policies, procedures, and/or remedies to address the issues identified in this Consent Order. The corrective action plan is an examination workpaper and confidential under Minn. Stat. § 60A.031 (2018).

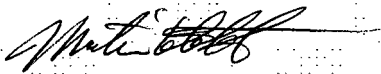
IT IS FURTHER ORDERED, pursuant to Minn. Stat. § 45.027, Subd. 6 (2018), that Respondent shall pay a civil penalty in the amount of \$100,000 to the State of Minnesota.

This Order shall be effective upon signature by or on behalf of the Commissioner.

Dated: 2-15-2019

Steve Kelley
Commissioner

By:



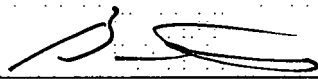
Martin Fleischhacker
Assistant Commissioner of Enforcement

85 Seventh Place East, Suite 280
Saint Paul, MN 55101
(651) 539-1510

CONSENT TO ENTRY OF ORDER

The undersigned, acting on behalf of Transamerica Life Insurance Company and Transamerica Premier Life Insurance Company (collectively referred to as Transamerica), states that s/he has read the foregoing Consent Order; that s/he knows and fully understands its contents and effect; that s/he has been advised of Transamerica's right to a hearing in this matter and expressly waives that right; that Transamerica has been represented by legal counsel in this matter; and that s/he consents to entry of this Consent Order by the Commissioner. It is further understood that this Consent Order constitutes the entire settlement agreement between the parties, there being no other promises or agreements, either express or implied.

**Transamerica Life Insurance Company
Transamerica Premier Life Insurance Company**

By: 

Their: President

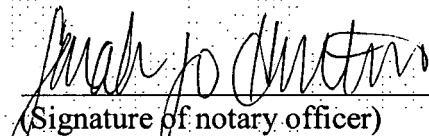
STATE OF Colorado

COUNTY OF Denver

Signed or attested before me on 2/4/19
(date)



(stamp)


(Signature of notary officer)

Notary
Title

My Commission expires: 4/13/20