

**STATE OF VERMONT  
DEPARTMENT OF BANKING, INSURANCE, SECURITIES  
AND HEALTH CARE ADMINISTRATION**

IN RE: UNITEDHEALTHCARE	)	
INSURANCE COMPANY	)	DOCKET NO. 11-097-I
	)	
	)	

**STIPULATION AND CONSENT ORDER**

**NOW COMES** the Department of Banking, Insurance, Securities and Health Care Administration of the State of Vermont (“Department”) and UnitedHealthcare Insurance Company (“United” or “Respondent”) and hereby stipulate and agree as follows:

**WHEREAS**, pursuant to the authority contained in 8 V.S.A. §§ 11, 12, 13, 15, 4723 and 4726, the Commissioner of the Department is charged with administering and enforcing the insurance laws of the State of Vermont;

**WHEREAS** Respondent offers health insurance products and is duly licensed in the State of Vermont;

**WHEREAS** in or around the fall of 2011, Respondent engaged in an advertising campaign which included in its advertising materials (“advertising materials”) references to Medicare Supplement insurance plans;

**WHEREAS** the Department filed Administrative Charges, and Amended Administrative Charges, against Respondent alleging that, in violation of Section 19, of Regulation H-2009-04, 8 V.S.A. §§ 4723 and 4724(1)(A), (2), (13), (17), (19), Respondent failed to file advertising materials referencing Medicare Supplemental coverage with the Commissioner for approval and that these advertising materials were deceptive and misleading (the “Administrative Charges” or “matter”);

**WHEREAS** being advised of its hearing rights pursuant to Department regulation and the Vermont Administrative Procedures Act, 3 V.S.A. § 800 et seq., Respondent and Department wish to resolve this matter without further cost or expense;

**NOW THEREFORE**, in consideration of the mutual covenants herein, the Department and Respondent stipulate and agree as follows:

1. Respondent consents to the entry of this Stipulation and Consent Order in order to fully resolve this matter.

2. Respondent shall pay an administrative penalty of Two-Hundred-Fifty-Thousand Dollars (\$250,000.00) plus Ten-Thousand Dollars (\$10,000) in costs, such amounts to be paid within thirty (30) days of the execution of this Stipulation and Consent Order.

3. The Department will seek no further fine or other sanction authorized by statute or regulation with respect to the alleged past failure of Respondent (and/or any of its agents, affiliates, subsidiaries, divisions, departments, business lines, products or other representatives) to comply with Regulation H-2009-04, Section 19 up to the date of execution of this Stipulation and Consent Order for any advertisement that was used or placed in Vermont prior to the date of this Stipulation and Consent Order.

4. The Department will seek no further fine or other sanction pursuant to 8 V.S.A. §§ 4723 or 4724 or Regulation 71-1 with respect to past use by the Respondent (and/or use by the Respondent's agent, affiliate, subsidiary, division, department, business line, product, or other representative) of any advertisement in Vermont that refers to "zero premium" and that references Medicare Advantage together with Medicare Supplement insurance plans if the advertisement was used or placed in Vermont prior to the date of this Stipulation and Consent Order.

5. The parties agree that this settlement is a compromise of a disputed claim against Respondent and agree that neither this Stipulation and Consent Order nor the payment provided for herein is to be construed as an admission of any fault or liability with respect to the disputed claim. Nothing in this Stipulation and Consent Order shall constitute an admission by the

Department that the advertising material at issue in this matter conforms with the laws and regulations of the State of Vermont.

6. Respondent acknowledges the Commissioner's jurisdiction to regulate advertising material related to Medicare Supplement insurance plans and acknowledges its obligation to comply with the Department's rules and regulations governing the filing of advertising materials related to Medicare Supplement insurance plans. Respondent acknowledges that the Department will not be precluded in any manner from seeking to subject Respondent to further sanctions or administrative enforcement proceedings for any alleged future violation of Vermont laws and regulations.

7. The Department agrees to withdraw the Subpoena, as amended, issued to Respondent on December 12, 2011.

8. Respondent agrees to withdraw its public records request received by the Department on January 11, 2012.

9. The Department agrees to dismiss the Administrative Action, Docket Number 11-097-I, with prejudice, upon payment in full of the sums indicated in Section 2 of this Stipulation and Consent Order.

10. Respondent acknowledges and agrees that this Stipulation and Consent Order is entered freely and voluntarily and that, except as set forth herein, no promise was made to induce Respondent to enter into this Stipulation and that this Stipulation and Consent order represents the entire agreement of the parties as to the subject matter of this Stipulation and Consent Order.

11. Respondent acknowledges that it is and has been represented by counsel in this matter and, understanding that it is entitled to a hearing before the Commissioner or his designee in this matter, hereby voluntarily waives that right.

12. Respondent further knowingly and voluntarily waives any right it may have to judicial review by any court of these matters by way of suit, appeal or extraordinary relief resulting from entry of this Stipulation and Consent Order, with the sole exception of any right to judicial review arising out of an alleged violation by the Department of the terms of this Stipulation and Consent Order.

13. Respondent further acknowledges that the Commissioner retains jurisdiction over this matter for the purpose of enforcing this Order.

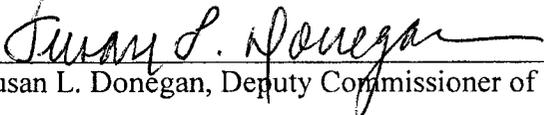
14. This Stipulation and Consent Order shall be governed by and construed by the laws of the State of Vermont.

15. Each of the parties signing below represents that she or he has full authority to bind the entity on behalf of which she or he signs.

AGREED AND ACCEPTED:

Division of Insurance,  
Vermont Department of Banking, Insurance,  
Securities and Health Care Administration

By:

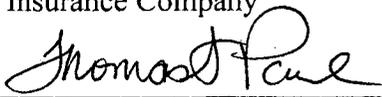
  
Susan L. Donegan, Deputy Commissioner of Insurance

Date:

as of  
1/26/12

UnitedHealthcare Insurance Company

By:

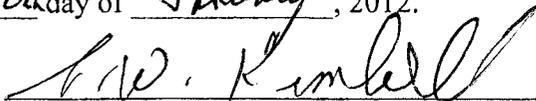
  
Tom Paul, CEO, UnitedHealthcare Medicare & Retirement and  
Vice President, UnitedHealthcare Insurance Company

Date:

1-25-2012

SO ORDERED:

Dated at Montpelier, Vermont this 30th day of January, 2012.

  
Stephen W. Kimbell, Commissioner  
Vermont Department of Banking, Insurance, Securities  
and Health Care Administration