

**STATE OF MAINE
DEPARTMENT OF PROFESSIONAL AND FINANCIAL REGULATION
BUREAU OF INSURANCE**

In re:]	
]	
MEGA LIFE AND HEALTH INSURANCE]	ORDER REGARDING REFUNDS
COMPANY RATES FOR INDIVIDUAL HEALTH]	REQUIRED BY THE
PLANS]	SUPERINTENDENT'S
]	DECISION ORDER
Docket No. INS-08-1000]	

On this date, the Superintendent has issued her final Decision and Order in this proceeding. The final Decision and Order approves rates for individual health products lower than MEGA's current rates. Paragraph 30 of MEGA's April 3, 2008 Agreed Settlement and Consent Order in Bureau of Insurance Docket No. INS-07-1010 ("the Settlement") provides that, if the final Decision and Order approves rates lower than MEGA's current rates and the Superintendent determines that refunds to policyholders are due, MEGA shall propose a refunding plan. Pursuant to that Paragraph 30 and in consideration of the Decision and Order of this date, the Superintendent hereby FINDS and ORDERS:

1. Because the rates approved by the final Decision and Order of this date are lower than MEGA's current rates, pursuant to its covenants in the Settlement, MEGA is obligated to make refunds to holders of policies during the period from January 1, 2008 to the implementation date for rates approved by the final Decision and Order ("the Refund Period"). Refunds shall be for the difference between the approved rates and current rates for the Refund Period. Refunds shall be at the policy level, *i.e.*, based on each policyholder's premium for base policy and riders combined. *E.g.*, if a base policy has a rate increase as a result of the final Decision and Order, riders have a rate decrease, and the combined effect is an increase, no refund is required.
2. Unless any party objects within 7 business days of this Order, MEGA shall proceed to implement a refund plan using as a model those procedures outlined in Paragraphs 26, 27, 30, and 34 through 40 of the Settlement, except that:
 - a. The Refund Period set forth in this Order shall be applicable;
 - b. Applicable interest to be refunded shall be for the Refund Period;
 - c. The three-year period like that referenced in Paragraph 38 of the Settlement shall begin on the date of the final Decision and Order;
 - d. The three-year period like that referenced in Paragraph 30 of the Settlement shall begin on the date of the final Decision and Order; and
 - e. MEGA shall complete the refund process no later than April 15, 2009.
3. If a party objects pursuant to ¶ 2 above, other parties shall have 7 business days thereafter to comment on the objection. After due consideration of the parties' filings, the Superintendent will issue an order establishing finally the refund procedure.

PER ORDER OF THE SUPERINTENDENT

Dated: December 1, 2008

MILA KOFMAN
Superintendent of Insurance