

STATE OF MAINE
BUREAU OF INSURANCE

In re: Senior Health Insurance Company
of Pennsylvania (SHIP) (in rehabilitation)

Docket No. INS-22-200

**EMERGENCY CEASE AND
DESIST ORDER & NOTICE OF
PENDING PROCEEDING AND
HEARING**

On February 8, 2022, through counsel, Maine Bureau of Insurance Staff submitted a Verified Complaint alleging that Senior Health Insurance Company of Pennsylvania (SHIP) is transacting insurance business in this State in a manner that is causing or is reasonably expected to cause significant, imminent, and irreparable injury to Maine policyholders. (*See Verified Complaint attached hereto.*) I have reviewed the alleged violations specified in Counts I through VIII of the Verified Complaint, which are incorporated herein by reference, and find, based on the verified allegations, that good cause exists for me to issue the requested Emergency Cease and Desist Order.

EMERGENCY CEASE AND DESIST ORDER

Effective immediately, except as otherwise provided herein, SHIP and its principals, employees, and agents shall halt disseminating, implementing, or enforcing in this State the “Coverage Election Package” or otherwise interfering with the rights of SHIP’s Maine policyholders or violating the insurance laws and regulations of this State, including, but not limited to, notifying Maine policyholders of proposed rate or benefit modifications under Maine policies or requesting that Maine policyholders select rates or benefits different under Maine policies from those authorized by the Maine Superintendent and called for under the terms of the contract, charging additional premium, or withholding, delaying or encumbering benefits in whole or in part, until such time as otherwise ordered by the Maine Superintendent.

This Order does not prohibit filing a premium increase request, or a proposed schedule of rates for proposed voluntary policy modifications, for review by the Superintendent in the manner prescribed by Maine law with sufficient supporting information to enable the Superintendent to determine whether the requested rates are neither inadequate, excessive, nor unfairly discriminatory. This Order does not prohibit SHIP from sending notices of any such filing to consumers if the notices have been reviewed by the Superintendent for accuracy and compliance with Maine law, and have not been disapproved.

**NOTICE OF
PENDING PROCEEDING AND HEARING**

Pursuant to 24-A M.R.S.A. §§ 229 and 230, 5 M.R.S. § 9052, and Insurance Rule Chapter 350, the Superintendent hereby gives notice that a public hearing will be held in the above-captioned matter beginning at 9:00 a.m. on February 18, 2022, unless a later date is agreed to by the Superintendent and all parties. Members of the public, including SHIP policyholders, are invited to attend the hearing. The hearing will take place by an audio-visual link, and instructions for registering for and attending the hearing remotely, by either audio-visual link or telephone, will be posted on the Bureau of Insurance website.

The purpose of the proceeding and hearing is for the Superintendent to determine whether grounds exist to continue in force a Cease and Desist Order against SHIP and to consider appropriate sanctions for any proven violations and such additional remedial measures as may be appropriate for the protection of Maine policyholders.

SHIP is a party to this proceeding. Bureau of Insurance Staff filing the Verified Complaint will be participating in this matter in an advocacy capacity, including presenting evidence and questioning witnesses. Persons wishing to intervene as parties in this proceeding

shall file their applications in writing with the Superintendent no later than 3:00 p.m. on February 16, 2022. *See* 5 M.R.S. § 9054. Applicants should either hand deliver their intervention applications to the attention of the Superintendent at the offices of the Bureau of Insurance, 76 Northern Avenue, Gardiner, Maine or mail them to the Superintendent at the following address:

Eric Cioppa, Superintendent
Bureau of Insurance
Maine Department of Professional and Financial Regulation
#34 State House Station
Augusta, Maine 04333-0034

The Superintendent will conduct the proceeding and hearing in accordance with the provisions of the Maine Administrative Procedure Act, 5 M.R.S. chapter 375, subchapter 4; 24-A M.R.S. §§ 229 to 236; Bureau of Insurance Rule chapter 350; and any rulings of the Superintendent. All parties to the proceeding have the right to present evidence and witnesses at the hearing and have the right to be represented by counsel. Failure of any party to appear may result in disposition by default with respect to that party. The Superintendent, however, may set aside a default for good cause.

The Department of Professional and Financial Regulation does not discriminate on the basis of disability in the admission to, access to, or operation of its programs, services, or activities. Individuals in need of auxiliary aid for effective communication at the hearing are invited to make their needs and preference known to the Superintendent of Insurance sufficiently in advance of the hearing so that appropriate arrangements can be made.

PER ORDER OF THE SUPERINTENDENT OF INSURANCE

February 8, 2022



Eric A. Cioppa
Superintendent