### *In re* NATIONAL GRANGE MUTUAL INSURANCE COMPANY

Docket No. INS-05-207

#### **CONSENT AGREEMENT**

National Grange Mutual Insurance Company, the Maine Superintendent of Insurance, and the Maine Office of the Attorney General hereby enter into this Consent Agreement, pursuant to 10 M.R.S.A. § 8003(5)(B), to resolve, without an adjudicatory proceeding, issues arising out of National Grange's conduct under a license issued by the Superintendent.

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#### Stipulations

1. The Superintendent is the official charged with administering and enforcing the insurance laws of the State of Maine.

2. National Grange Mutual Insurance Company is domiciled in the State of New Hampshire and is authorized by the Superintendent to act as a workers' compensation insurer in the State of Maine.

3. Pursuant to 24-A M.R.S.A. §§ 2382-B(2) and 2384-C, each workers' compensation insurer doing business in Maine must participate in a data collection system established for the purpose of evaluating the costs and operation of the workers' compensation benefit delivery process and must report its experience to the National Council on Compensation Insurance (NCCI), the statistical advisory organization designated by the Superintendent, in accordance with the uniform statistical plan established by NCCI and approved by the Superintendent.

4. As part of this data collection system, NCCI conducted a special data call requesting information regarding the premium escrow accounts established in accordance with the contingent rating provisions of the 2001 loss cost filing.

5. National Grange did not submit a timely response to the data call, and also failed to respond to subsequent inquiries from NCCI.

6. By its failure to conduct required data reporting, National Grange violated 24 A M.R.S.A. §§ 2382-B(2) and 2384-C.

7. On March 31, 2005, Bureau of Insurance Staff Attorney Robert Alan Wake wrote a letter on behalf of the Superintendent regarding the violation discussed above. National Grange again failed to respond.

8. By its failure to respond to a lawful inquiry of the Superintendent, National Grange violated 24 A M.R.S.A. § 220(2).

**Covenants** 

National Grange, the Superintendent, and the Office of the Attorney General agree to the following:

9. This Consent Agreement is entered into in accordance with 10 M.R.S.A. § 8003(5)(B) and is not subject to review or appeal. This Consent Agreement is enforceable by an action in the Superior Court.

10. Pursuant to 24 A M.R.S.A. § 12-A, National Grange agrees to pay a civil penalty of \$1000 for the violations admitted herein. A check for that amount, payable to the Treasurer of the State of Maine, shall be submitted at the time of the execution of this Agreement.

11. National Grange further agrees to respond fully and accurately to NCCI's data request within 10 days after the execution of this Agreement.

12. In consideration of National Grange's execution of and compliance with the terms of this Consent Agreement, the Superintendent agrees to forgo pursuing any disciplinary measures or other civil or administrative sanction for the actions described in the Stipulations, other than those agreed to in this Consent Agreement. However, should National Grange violate this Consent Agreement, the Superintendent reserves the right to pursue any available legal remedy for the violation, including without limitation the suspension or revocation of that company's certificate of authority to transact insurance in the State of Maine.

13. The parties to this Agreement understand that nothing herein shall affect any rights or interests that any person not a party to this Agreement may possess.

14. National Grange understands and acknowledges that this Agreement will constitute a public record within the meaning of 1 M.R.S.A. § 402, will be available for public inspection and copying as provided for by 1 M.R.S.A. § 408, and will be reported to the National Association of Insurance Commissioners' "RIRS" database.

15. National Grange has been advised of its right to consult with counsel, and has consulted with counsel before executing this Agreement.

16. This Consent Agreement may be modified only by a written agreement executed by all of the parties.

## FOR NATIONAL GRANGE MUTUAL INSURANCE COMPANY

Dated:

(signature)

(printed name and title)

Personally appeared before me this day \_\_\_\_\_, and signed this Consent Agreement in my presence.

Notary Public

# FOR THE OFFICE OF THE ATTORNEY GENERAL

Dated:

Andrew L. Black, AAG

## BY THE SUPERINTENDENT OF INSURANCE

Dated:

Alessandro A. Iuppa, Superintendent