BEFORE THE DIVISION OF INSURANCE
DEPARTMENT OF LABOR AND REGULATION
STATE OF SOUTH DAKOTA

IN THE MATTER OF
MEDICA INSURANCE COMPANY

) CONSENT ORDER

) CONSENT ORDER

In resolution of the above matter and in lieu of issuance of a Notice of Hearing and a formal hearing, the undersigned parties do hereby agree to the following:

MEDICA INSURANCE COMPANY ("MEDICA"), whose address of record is 401 Carlson Parkway, Minnetonka, MN 55305, is an insurance company holding a certificate of authority to transact business in the State of South Dakota;

MEDICA is aware that the South Dakota Division of Insurance ("Division") has conducted an investigation of its insurance-related activities in South Dakota;

The Division has alleged the following:

1) MEDICA failed to timely settle numerous valid claims, in violation of SDCL § 58-12-20;

2) This conduct may be grounds for the revocation or suspension of MEDICA’s certificate of authority pursuant to SDCL § 58-6-46;

MEDICA is aware of and understands the nature of the charges and has been informed that it has the right to notice, hearing, and appeal, and that by agreeing to and signing this Consent Order waives these rights;

In return for MEDICA agreeing to the provisions of this Consent Order, the Division agrees not to proceed to hearing and agrees that this Consent Order will constitute an informal disposition of this licensing matter pursuant to SDCL § 1-26-20;

MEDICA agrees to pay an amount of $22,500 pursuant to SDCL § 58-4-28.1, in lieu of contesting this matter formally; and

MEDICA further agrees to conduct itself in accordance with the insurance laws and regulations of the State of South Dakota;

MEDICA agrees that this Consent Order may be considered for the purpose of determining the appropriate sanction in any future actions with the Division for any violations of the laws or regulations of the State of South Dakota or for failing to abide by any order of the Director;

Wherefore, good cause appearing from the foregoing, it is hereby ORDERED that MEDICA pay an amount of $22,500 payable to "South Dakota Division of Insurance" for deposit in the general fund of the State of South Dakota; and it is further
ORDERED that should MEDICA fail to comply with the provisions of this Order, the Division may seek the suspension or revocation of MEDICA's Certificate of Authority at hearing pursuant to SDCL § 58-6-46, or seek other remedies available at law; and it is further

ORDERED that the use of this Consent Order for competitive purposes by an insurance agent or third-party administrator holding a license in the State of South Dakota, or by any company holding a Certificate of Authority, or by anyone on their behalf, may be deemed unfair competition and be grounds for suspension or revocation of said license or authority; and it is further

ORDERED that the provisions of this Consent Order shall be effective from the date the Director signs this Order.


[Signature]
Larry Deiter, Director
South Dakota Division of Insurance

The undersigned, on behalf of MEDICA, represents it understands the terms of this Consent Order and the waiver of its due process rights and voluntarily enters into this Consent Order.

Dated this 19th day of December, 2019.

[Signature]
Ann Kinsella
Signature of Authorized Representative

[Printed Name]
VP, Compliance and Privacy

[Printed Name]
Ann Kinsella
Title