

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE
550 WEST SEVENTH AVENUE, SUITE 1560
ANCHORAGE, ALASKA 99501-3567
PHONE: (907) 269-7900
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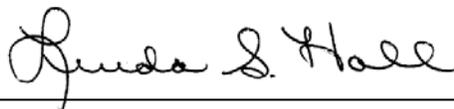
ORDER RESCINDING
CEASE AND DESIST ORDER D 05-09

TO: Signature Health Group
Healthcare Advantage
861 SW 78th Avenue, #200
Plantation, FL 33324-3229

The Cease and Desist Order D 05-09 issued by the Division of Insurance on April 29, 2005 to Signature Health Group and Healthcare Advantage is hereby rescinded and is no longer in effect

This order is effective immediately.

Dated at Anchorage, Alaska this 28th day of June, 2005.



Linda S. Hall
Director

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The Division of Insurance (division) has determined that Signature Health Group Healthcare Advantage (Signature HCA) has been transacting the business of insurance in Alaska **without authorization**, in violation of AS 21.09.010 and AS 21.27.010. Alaska law states:

“insurance” means a contract whereby one undertakes to indemnify another or pay or provide a specified or determinable amount or benefit upon determinable contingencies. AS 21.90.900(24)

Under AS 21.27.010

- (a) . . . a person may not act as or represent to be an insurance producer. . . in this state unless licensed
- (b) An insurance producer . . . may not solicit or take applications for, procure, place for others, or otherwise transact business for a kind or class of insurance for which the person is not licensed.

Through your internet website of <http://www.hcaplus.com> and the listed 800 phone number, Signature HCA is selling insurance to Alaskan residents.

While on the website Signature HCA claims that the plan is not insurance, the language used in describing the plan benefits, plan summary, and provider network is fraught with terminology that customarily is used to describe insurance. These terms would lead the average consumer to believe that the product being offered is insurance. Moreover, the site offers accidental death and dismemberment benefits, which is a clear and illegal solicitation to sell insurance in Alaska without a license, in violation of AS 21.27.010.

Additionally, an Alaskan consumer has reported to the division that, in her phone conversation with a Signature HCA sales representative, she was provided with information that led her to believe that the program she was purchasing was health insurance. At no time did the sales representative deny that the plan was health insurance, state that it was a health discount plan, or that she would be responsible for paying repriced bills. To the contrary, the sales representative used specific insurance terms such as “premium,” “coverage,” and “co-payment.” He also represented to her that the medical clinic and pharmacy she used were covered under the plan but when she received her enrollment package neither one was included.

Signature Health Group Healthcare Advantage is hereby ordered to cease and desist from further transacting the business of insurance in the State of Alaska. Continued transaction of

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insurance by Signature Health Group Healthcare Advantage in Alaska will be considered a wilful violation and subject to appropriate action under the insurance code. Further, a violation of the insurance code is considered a fraudulent insurance act under AS 21.36.360(p)(1), which may be prosecuted as a class B misdemeanor under AS 21.36.360(q).

This order is effective immediately.

Dated at Anchorage, Alaska this 29th day of April, 2005.



Linda S. Hall
Director