

STATE OF NEW JERSEY  
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Proceedings by the Commissioner of Banking )  
and Insurance, State of New Jersey, to fine ) CONSENT  
Bankers Fidelity Life Insurance Company ) ORDER

To: Bankers Fidelity Life Insurance Company  
4370 Peachtree Road, NE  
Atlanta, GA 30319

This matter, having been opened by the Commissioner of Banking and Insurance ("Commissioner"), State of New Jersey, upon information that Bankers Fidelity Life Insurance Company ("Bankers Fidelity"), may have violated various provisions of the insurance laws of the State of New Jersey and of federal law; and

WHEREAS, Bankers Fidelity is a foreign insurance company admitted to transact the business of insurance in New Jersey since July 19, 2004 pursuant to N.J.S.A. 17B:23-1 to -11; and

WHEREAS, 42 U.S.C. 1395ss(a)(2) provides that no Medicare Supplement policy may be issued in a State unless the State's regulatory program provides for the application and enforcement of the standards and requirements set forth in, inter alia, the NAIC Model Regulation; and

WHEREAS, sections 15A and 15C of the Model Regulation to Implement the NAIC Medicare Supplement Insurance Minimum Standards Act provide that an insurer shall not deliver or issue for delivery a Medicare Supplement policy or certificate to a resident of a state unless the policy or certificate form have been filed with and approved by the Commissioner and the rates,

rating schedule and supporting documentation for the Medicare Supplement policy or certificate have been filed with and approved by the Commissioner of the state of the insured's residence;

WHEREAS, pursuant to N.J.S.A. 17B:26A-6a, no insurer shall deliver or issue for delivery to a resident of this state a Medicare Supplement policy or certificate, or any application, rider or endorsement to be in connection with the issuance or renewal of any such policy or certificate, unless the form has been submitted to and filed by the Commissioner; and

WHEREAS, pursuant to N.J.A.C. 11:4-23.11(g), the information to be included with annual and revised rate filings for Medicare Supplement insurance policies is premium and claims for insured residents of New Jersey under a specific policy form; and

IT APPEARING, that from January 2016 to February 2022, Bankers Fidelity issued New Jersey approved Medicare Supplement policies to 886 persons who were not New Jersey residents on the date of issue and issued Medicare Supplement policies that were approved by states other than New Jersey to 63 persons who were New Jersey residents on the date of issue; and

IT FURTHER APPEARING, that as of March 2022 Bankers Fidelity has altered its operations so that it issues Medicare Supplements policies that are approved by the state insurance department of the state in which the insured resides; and

WHEREAS, Bankers Fidelity asserts that it did not intend to violate any applicable state or federal laws or regulations, desires to settle this matter with the New Jersey Department of Banking and Insurance without resort to a formal hearing and consents to the payment of a fine;

NOW, THEREFORE, IT IS on this 17 day of May, 2022

ORDERED AND AGREED, that Bankers Fidelity will pay a penalty of seven hundred eleven thousand seven hundred forty dollars (\$711,740.00), upon its execution of this Consent Order. The payment shall be made through a certified check, attorney trust account check, money order or electronic funds transfer made payable to the "State of New Jersey -- General Treasury;" and

IT IS FURTHER ORDERED AND AGREED, that the signed Consent Order together with the payment of \$711 ,740.00 shall be remitted to:

New Jersey Department of Banking and Insurance  
Attention: Virgil Downtin, Chief of Investigations  
9<sup>th</sup> Floor, Consumer Protection Services, Enforcement Unit  
P. O. Box 329  
Trenton, New Jersey 08625-0329

and

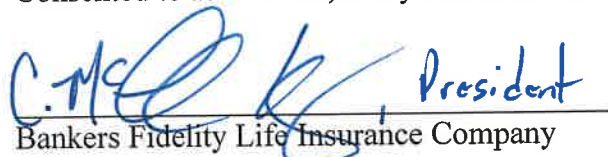
IT IS FURTHER ORDERED AND AGREED, that the provisions of this Consent Order represent a final agency decision and constitute a final resolution of the violations contained herein.



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Marlene Caride  
Commissioner

Consented to as to Form, Entry and Content:



C. McE... President  
Bankers Fidelity Life Insurance Company