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Attorney for the CSI

**BEFORE THE COMMISSIONER OF SECURITIES AND INSURANCE,
MONTANA STATE AUDITOR**

IN THE MATTER OF:)	CASE NO. INS-2012-47
)	
BLUE CROSS BLUE SHIELD OF)	CONSENT AGREEMENT AND
MONTANA, INC.)	FINAL ORDER
)	
Respondent.)	
)	

This Consent Agreement and Final Order (Agreement) is entered into by the Office of the Commissioner of Securities and Insurance, Montana State Auditor (CSI), acting pursuant to the authority of the Montana Insurance Code, Mont. Code Ann. § 33-1-101, (Code), and Blue Cross Blue Shield of Montana, Inc. (Respondent).

RECITALS

WHEREAS, the CSI received three consumer complaints regarding changes to the Respondent's 2012 Blue Dimensions Group Policy;

WHEREAS, a CSI investigation of this complaint showed there was confusion between some agents and some consumers about when a deductible would be waived;

WHEREAS, the CSI alleged Respondent violated Mont. Code Ann. § 33-1-501 by marketing forms that had not yet been approved;

WHEREAS, the CSI and the Respondent agree that the best interests of the public would be served by entering into this Agreement;

NOW, THEREFORE, in consideration of the mutual undertakings contained in this Agreement, the CSI and the Respondent hereby agree to settle this matter pursuant to the following terms and conditions:

STIPULATIONS AND CONSENTS

I. Without admitting or denying any of the CSI's allegations, the Respondent stipulates and consents to the following:

A. Within ten business days from the execution of this Agreement, the Respondent shall pay a fine of \$5,000, made payable to the State of Montana.

B. (1) For groups that renewed or received a 2012 Blue Dimension product prior to June 30, 2012 and; (2) for the groups that renewed coverage on BCBSMT's "quote-to-card" system but received an incorrect outline of coverage; Respondent shall search its records to identify members that paid deductibles for services provided by a in-network professional participating provider ("Deductibles"). BCBSMT will reimburse the Deductibles paid by the identified members. This shall be done initially within two weeks of this agreement and quarterly until July 31, 2014.

C. Respondent shall provide the CSI with a copy of its form letter to consumers receiving the refund and its method of calculation within ten days of this agreement.

D. Respondent shall provide its first consumer list demonstrating payments to be made within ten business days of this Agreement, and quarterly reports within ten business days of the end of each quarter thereafter.

E. The Respondent shall perform an internal evaluation and make any changes necessary to retrain its staff. Following this evaluation, the Respondent shall identify any other issues similar to the ones raised in this agreement and take corrective action. Respondent shall send a report to the CSI within 60 days of this agreement detailing any other similar issues. No fine shall be imposed for similar violations reported to the CSI within 60 days of the signing of this agreement.

F. The parties shall comply with the terms and conditions of this Agreement.

G. The parties fully and forever release and discharge the other party, its employees and its agents from any and all actions, claims, causes of action, demands, or expenses for damages or injuries, whether asserted or unasserted, known or unknown, foreseen or unforeseen, arising out of this Agreement.

H. The Respondent specifically and affirmatively waives a contested case hearing and all rights to appeal under the Montana Administrative Procedure Act, Mont. Code Ann. § 2-4-101, et seq., and elects to resolve this matter on the terms and conditions set forth herein.

II. All parties to this Agreement stipulate and consent as follows:

A. The Commissioner and the CSI have jurisdiction over the subject matter of the above-entitled proceeding.

B. Under authority of the Code, the CSI hereby agrees that it will not initiate any civil or administrative action against the Respondent regarding the allegations contained in this action.

C. This Agreement is entered without adjudication of any issue, law or fact. It is entered into solely for the purpose of resolving the CSI's allegations and is not

intended to be used for any other purpose. For any person or entity not a party to this Agreement, this Agreement does not limit or create any private rights or remedies against the Respondent including limit or create liability of Respondent, or limit or create defenses of Respondent, to any claims.

D. The applicable statute of limitation, Mont. Code Ann. § 33-1-707, is tolled for two years from the date of execution of this Agreement with regard to the allegations set forth above. In the event Respondent violates the terms of this Agreement at any time during the two-year tolling period, the CSI reserves the right to seek additional fines.

E. This Agreement constitutes the entire agreement between the parties and no other promises or agreements, either express or implied, have been made by the CSI or by any member, officer, agent or representative of the CSI to induce Respondent to enter into this Agreement.

F. This Agreement may not be modified orally, and any subsequent modifications to this Agreement must be mutually agreed upon in writing to be effective.

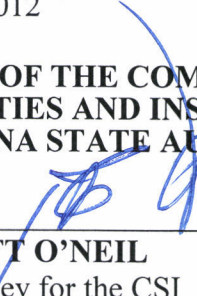
G. This Agreement shall be incorporated into and made a part of the attached Final Order issued by the Commissioner herein.

H. This Agreement shall be effective upon signing of the Final Order.

I. The Agreement is a public record under Montana law and as such may not be sealed or otherwise withheld from the public.


DATED this 19th day of November, 2012

**OFFICE OF THE COMMISSIONER OF
SECURITIES AND INSURANCE,
MONTANA STATE AUDITOR**

By: 
BRETT O'NEIL
Attorney for the CSI

DATED this 13th day of Nov, 2012

**BLUE CROSS BLUE SHIELD OF MONTANA,
INC.**

By: 
Its: General Counsel

FINAL ORDER

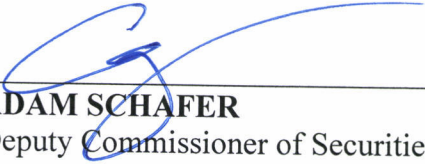
Pursuant to the authority vested by Mont. Code Ann. § 2-4-603 and § 33-1-101, et seq., and upon review of the foregoing Consent Agreement, and good cause appearing,

IT IS HEREBY ORDERED that the foregoing Consent Agreement between the CSI and Respondent Montana Farm Bureau Federation, Inc. is adopted as if set forth fully herein.

DATED this 19th day of November, 2012.

MONICA J. LINDEEN
Commissioner of Securities and Insurance,
Montana State Auditor

By: _____


ADAM SCHAFER
Deputy Commissioner of Securities and Insurance,
Montana State Auditor

cc. Brett O'Neil
Sean Slanger