

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

TO: Commissioner Matt Rosendale
FROM: Staff Attorney Benjamin C. Tiller, Esq.
DATE: September 6, 2019
RE: HCC Life Insurance, et al., settlement and restitution

This memorandum has been created to provide a consolidated resource for recipients of the Health Insurance Innovations Restitution Fund letter from Dahl Administration. Dahl Administration has been hired by this agency to administer the distribution of restitution funds paid by various entities to settle litigation with the CSI. A copy of the official restitution letter is attached to this memorandum below for reference.

The CSI's allegations are outlined in its Notice of Proposed Agency Action (NOPAA), which can be accessed [here](#). Health Insurance Innovations was dismissed from the action because allegations similar to those contained in the CSI's NOPAA were addressed by a multi-state action against the company. Montana served as a lead state in that action, and copy of the regulatory settlement can be accessed [here](#).

The CSI settled the action against the remaining named parties, many of whom agreed to pay restitution. Restitution funds were paid by the following entities pursuant to the hyperlinked consent agreements:

HCC Life Insurance Company and HCC Medical Insurance Services, LLC:
<https://csimt.gov/wp-content/uploads/PLEADING-2018.1.5-Consent-agreement-HCC.pdf>

Unified Life Insurance: <https://csimt.gov/wp-content/uploads/INS-2015-348-HII-Consent-Agreement-and-Final-Order-Re-Unified-Life-Insurance-Company-Copy.pdf>

Starr Indemnity and Liability Company: <https://csimt.gov/wp-content/uploads/PLEAD-2017.11.6-Consent-Agreement-Starr.pdf>

Coverage One Insurance Group, LLC, David H. Ettinger, and Beth Ettinger:
<https://csimt.gov/wp-content/uploads/PLEADING-2019.2.6-Consent-agreement-and-final-order-SIGNED.pdf>

Western Heritage Insurance Marketing Group and Lisa D. Gonzales:
<https://csimt.gov/wp-content/uploads/PLEADING-2018.1.12-Consent-Agreement-and-Final-Order-Western-Heritage-1.pdf>

Michael C. Tobias: <https://csimt.gov/wp-content/uploads/PLEAD-2018.3.22-Tobias-consent-agreement.pdf>

Quick Quote US, LLC and Michael S. Hilf: <https://csimt.gov/wp-content/uploads/PLEAD-2018.2.6-Quick-Quote-and-Hilf-agreement.pdf>

National Foundation Life Insurance Co.: <https://csimt.gov/wp-content/uploads/PLEAD-2018.6.1-NFL-consent-agreement.pdf>

Health Benefits One and Matthew E. Spiewak: <https://csimt.gov/wp-content/uploads/PLEAD-2018.3.22-HBO-and-Spiewak-consent-agreement.pdf>

Danielle Bretti: <https://csimt.gov/wp-content/uploads/PLEAD-2018.3.22-Bretti-consent-agreement.pdf>

Michael K. Borchers: <https://csimt.gov/wp-content/uploads/ORDER-2018.9.20-Borchers-Signed-CA.pdf>

Terry M. Alvarado: <https://csimt.gov/wp-content/uploads/ORDER-2018.9.20-Alvarado-signed-CA.pdf>

HEALTH INSURANCE INNOVATIONS RESTITUTION FUND
C/O DAHL ADMINISTRATION
PO BOX 3614
MINNEAPOLIS MN 55403-0614



UNIQUE ID: <<ClaimantDahlID>>
<<ClaimantName>>
<<Addr1>>
<<Addr2>>
<<City>> <<State>> <<Zip>>

Dear <<ClaimantName>>

You are receiving this letter because the State Auditor (Montana's Commissioner of Securities and Insurance, or "CSI") has determined that you may be entitled to monetary restitution related to allegedly unlawful insurance sales practices. The restitution fund is being administered by Dahl Administration in Minneapolis, MN. The contract appointing Dahl Administration, along with documents related to the litigation, can be found at www.csimt.gov/legal-actions/.

This litigation involved the sale of **Short-Term Medical Insurance between 2012 and 2016**. On May 9, 2016, the State of Montana filed an administrative action against multiple entities engaged in the sale of short-term medical insurance products in the state between 2012 and 2016. The CSI alleged the parties used misleading sales tactics and did so without proper licensing and/or registration with the State. Although the parties denied wrongdoing, all parties have settled with the State and the litigation has come to an end.

Your name appears on customer lists obtained from the various companies and insurance producers involved in this litigation. If you feel that you were misled in any way about the terms of your health insurance purchase, please fill out the attached form and return by November 9, 2019. The CSI will evaluate your claim to determine whether you are entitled to compensation.

THE DEADLINE FOR FILING CLAIMS IS NOVEMBER 9, 2019.

The CSI hopes to promptly administer each claim. However, it will not begin doing so until the deadline for filing claims has passed. Please be patient. If the situation changes, we will be in touch.

Regards,

Matt M. Rosendale
Commissioner of Securities and Insurance

