

**IN THE DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS
AND PROFESSIONAL REGISTRATION
STATE OF MISSOURI**

In Re:)
)
HEALTHY ALLIANCE LIFE)
INSURANCE COMPANY)
)
and) **Case No. C121106581**
)
HMO MISSOURI, INC.)
)

ORDER OF THE DIRECTOR

NOW, on this 15th day of August, 2014, Director John M. Huff, after consideration and review of the Joint Motion to Dissolve Stay, to Voluntarily Dismiss Counts I-XXII of Verified Statement of Charges, and to Dismiss Counts XXIII-XXXIV of the Verified Statement of Charges based on Settlement (hereinafter "Motion to Dissolve, Dismiss and to Approve Settlement") filed by the Division of Insurance Market Regulation (hereinafter "Division"), Healthy Alliance Life Insurance Company (hereinafter "Healthy Alliance") and HMO Missouri, Inc. (hereinafter "HMO Missouri"), does hereby issue the following order:

IT IS HEREBY ORDERED that the Motion to Dissolve, Dismiss and to Approve Settlement is granted.

IT IS FURTHER ORDERED that the Stay issued on January 8, 2013, in this matter is dissolved.

IT IS FURTHER ORDERED that Counts I-XXII of the Verified Statement of Charges are dismissed with prejudice.

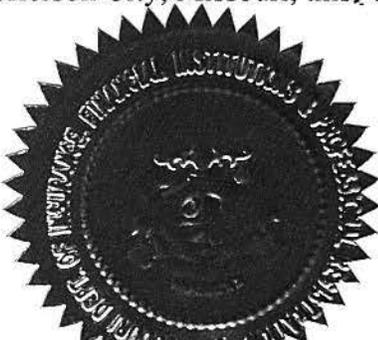
IT IS FURTHER ORDERED that, as the parties have agreed to settle Counts XXIII-XXXIV of the Verified Statement of Charges, Counts XXIII-XXXIV of the Verified Statement are dismissed with prejudice.

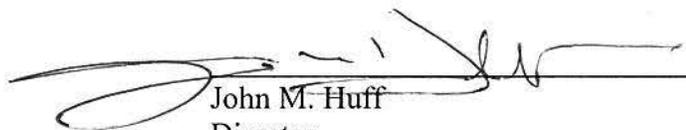
All dismissals are made pursuant to 20 CSR 800-1.040(1) and Missouri Rule of Civil Procedure 67.02.

This order, issued pursuant to §374.046.15, RSMo (Cum. Supp. 2013), is in the public interest.

IT IS SO ORDERED.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of my office in Jefferson City, Missouri, this 15th day of August, 2014.




John M. Huff
Director

**IN THE DEPARTMENT OF INSURANCE, FINANCIAL
INSTITUTIONS AND PROFESSIONAL REGISTRATION
STATE OF MISSOURI**

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HMO MISSOURI, INC.)	
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**JOINT MOTION TO DISSOLVE STAY, TO VOLUNTARILY DISMISS COUNTS I-
XXII OF VERIFIED STATEMENT OF CHARGES, AND TO DISMISS COUNTS XXIII
- XXXIV OF THE VERIFIED STATEMENT OF CHARGES BASED ON
SETTLEMENT**

The Division of Insurance Market Regulation (hereinafter "Division") and Healthy Alliance Life Insurance Company ("Healthy Alliance") and HMO Missouri, Inc. ("HMO Missouri"), through counsel, collectively move for an order dissolving the Stay issued on January 8, 2013, approving the voluntary dismissal of Counts I - XXII of the Verified Statement of Charges with prejudice and dismissing Counts XXIII - XXXIV of the Verified Statement of Charges with prejudice based on settlement. In support thereof, the Division states as follows:

1. The Division filed a Verified Statement of Charges and Request for Orders (hereinafter "Verified Statement of Charges") on November 6, 2012 alleging violations of §376.1199 RSMo. (Cum. Supp. 2012) and other Missouri statutes.
2. On November 16, 2012, a Summary Cease and Desist Order was entered by John M. Huff, Director of the Missouri Department of Insurance, Financial Institutions and Professional Registration (hereinafter "Director").
3. On January 8, 2013, the Director issued an Order staying this matter (the "Administrative Action") based on the Temporary Restraining Order entered by

the United States District Court for the Eastern District of Missouri in *Missouri Insurance Coalition v. Huff*, NO. 4:12CV-02354 AGF (the “Court Action”).

4. On March 14, 2013, the United States District Court for the Eastern District of Missouri in the Court Action issued a “Memorandum and Order and Declaratory Judgment,” which was amended by a Memorandum and Order dated May 22, 2013 (the “Memorandum and Order”). A judgment consistent with the Memorandum and Order was entered, became final and was not appealed.
5. The Memorandum and Order declared that subsections 1(4), 4, 5, and 6 (1), 6(2), and 6(3) of § 376.1199 of the Missouri Revised Statutes are invalid.
6. In light of the District Court’s decision, it is appropriate to dissolve the Stay entered on January 8, 2013, and to dismiss Counts I – XXII of the Verified Statement of Charges with prejudice. These counts are based on the sections of law declared invalid by the District Court.
7. The parties dispute whether Counts XXIII – XXXIV of the Verified Statement of Charges are based on sections of Missouri law that were affected by the District Court’s ruling.
8. Regardless, Healthy Alliance and HMO Missouri have represented to the Division that they no longer offer any coverage that would be governed by the provisions of Missouri law referenced in Counts XXIII-XXXIV relating to Section 6(4) and 6(5) of the Missouri Revised Statutes § 376.1199.
9. As a result, Counts XXIII – XXXIV of the Verified Statement of Charges have been resolved through Settlement agreed to by the parties in which Healthy Alliance and HMO Missouri agree they will comply with Section 6(4) and 6(5) of

§ 376.1199 of the Missouri Revised Statutes (without waiving any rights to challenge an alleged future violation or the statute itself), and the Division has agreed (without waiving any rights to seek enforcement for future violations of Section 6 (4) and 6 (5)) that it will not seek penalties or other relief authorized by any Missouri laws, any implementing regulations, or the common law, including but not limited to Mo. Rev. Stat. §§ 374.046, 374.049, 374.280, 375.145, 375.930-948, or 376.1199, against Healthy Alliance or HMO Missouri for the conduct alleged in Case No. 121106581, which predates this settlement.

10. The terms of the foregoing settlement fully resolve the matters contained in Counts XXIII - XXXIV of the Verified Statement of Charges and, as a result, such Counts should likewise be dismissed with prejudice.

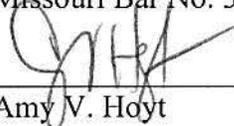
11. The parties request dismissal of all counts pursuant to 20 CSR 800-1.040(1) and Missouri Rule of Civil Procedure 67.02.

WHEREFORE, for the above stated reasons, the Division and Healthy Alliance and HMO Missouri jointly move for an Order: (a) dissolving the stay entered on January 8, 2013, (b) approving the voluntary dismissal with prejudice of Counts I - XXII of the Verified Statement of Charges, and (c) dismissing counts XXIII-XXXIV of the Verified Statement of Charges with prejudice based on the foregoing settlement of the parties.

Respectfully submitted,



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ATTORNEYS FOR DIVISION OF
INSURANCE MARKET REGULATION

A handwritten signature in black ink, appearing to read 'Neal F. Perryman', written over a horizontal line.

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