



**DEPARTMENT OF COMMERCE & INSURANCE**

P.O. Box 690, Jefferson City, Mo. 65102-0690

*In Re:*

NATIONAL HEALTH INSURANCE  
COMPANY (NAIC #82538)

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**Market Conduct Investigation No. 417111**

**ORDER OF THE DIRECTOR**

NOW, on this 20<sup>th</sup> day of December, 2023, Director, Chlora Lindley-Myers, after consideration and review of the Stipulation of Settlement and Voluntary Forfeiture (hereinafter “Stipulation”) entered into by the Division of Insurance Market Regulation (hereinafter “Division”), and National Health Insurance Company (NAIC #82538) (hereinafter “NHIC”), relating to the market conduct investigation no. 417111, does hereby issue the following orders:

This order, issued pursuant to §374.046.15<sup>1</sup> and §374.280 is in the public interest.

**IT IS THEREFORE ORDERED** that NHIC and the Division having agreed to the Stipulation, the Director does hereby approve and agree to the Stipulation.

**IT IS FURTHER ORDERED** that NHIC shall not engage in any of the violations of statutes and regulations set forth in the Stipulation, shall implement procedures to place it in full compliance with the requirements in the Stipulation and the statutes and regulations of the State of Missouri, and to maintain those corrective actions at all times, and shall fully comply with all terms of the Stipulation.

<sup>1</sup> All references, unless otherwise noted, are to Revised Statutes of Missouri 2016.

**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 20<sup>th</sup> day of December, 2023.



*Chlora Lindley-Myers*

Chlora Lindley-Myers  
Director

**IN THE DEPARTMENT OF COMMERCE AND INSURANCE  
STATE OF MISSOURI**

*In Re:* )  
 )  
NATIONAL HEALTH INSURANCE ) **Market Conduct Investigation No. 417111**  
COMPANY (NAIC #82538) )

**STIPULATION OF SETTLEMENT**

It is hereby stipulated and agreed by the Division of Insurance Market Regulation (hereinafter the “Division”), and National Health Insurance Company (hereinafter “NHIC”), as follows:

**WHEREAS**, the Division is a unit of the Missouri Department of Commerce and Insurance (hereinafter the “Department”), an agency of the State of Missouri, created and established for administering and enforcing all laws in relation to insurance companies doing business in the State of Missouri;

**WHEREAS**, NHIC has been granted a certificate of authority to transact the business of insurance in the State of Missouri;

**WHEREAS**, the Division conducted a market conduct investigation of NHIC, investigation no. 417111; and

**WHEREAS**, based on the market conduct investigation of NHIC, the Division alleges that:

1. NHIC did not timely file an annual report of its utilization review program activities for the years 2020, 2021, and 2022, in violation of §§ 376.1359.2 and 376.1369, RSMo, and 20 CSR 400-10.020. NHIC filed these reports on May 25, 2023.

**WHEREAS**, the Division and NHIC have agreed to resolve the issues raised in the market conduct investigation as follows:

A. **Scope of Agreement.** This Stipulation of Settlement (hereinafter “Stipulation”)

embodies the entire agreement and understanding of the signatories with respect to the subject matter contained herein. The signatories hereby declare and represent that no promise, inducement or agreement not herein expressed has been made, and acknowledge that the terms and conditions of this agreement are contractual and not a mere recital.

B. **Remedial Action.** NHIC agrees to take remedial action bringing it into compliance with the statutes and regulations of Missouri and agrees to maintain those remedial actions at all times. Such remedial actions shall include the following:

1. NHIC agrees to timely file utilization review program activities reports in conformity with §§ 376.1359.2 and 376.1369, RSMo, and 20 CSR 400-10.020.

C. **Compliance.** NHIC has filed its 2020, 2021, and 2022 annual reports of its utilization review program activities to remediate the identified errors.

D. **Non-Admission.** Nothing in this Stipulation shall be construed as an admission by NHIC, this Stipulation being part of a compromise settlement to resolve disputed factual and legal allegations arising out of the above referenced market conduct investigation.

E. **Waivers.** NHIC, after being advised by legal counsel, does hereby voluntarily and knowingly waive any and all rights to procedural requirements, including notice and an opportunity for a hearing, and review or appeal by any trial or appellate court, which may have otherwise applied to the market conduct investigation no. 417111.

F. **Amendments.** No amendments to this Stipulation shall be effective unless made in writing and agreed to by authorized representatives of the Division and NHIC.

G. **Governing Law.** This Stipulation shall be governed and construed in accordance with the laws of the State of Missouri.

H. **Authority.** The signatories below represent, acknowledge and warrant that they are authorized to sign this Stipulation, on behalf of the Division and NHIC, respectively.

I. **Counterparts.** This Stipulation may be executed in multiple counterparts, each of which shall be deemed an original and all of which taken together shall constitute a single document. Execution by facsimile or by electronically transmitted signature shall be fully and legally effective and binding.

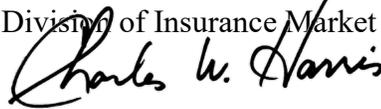
J. **Effect of Stipulation.** This Stipulation shall not become effective until entry of an Order by the Director of the Department (hereinafter “Director”) approving this Stipulation.

K. **Request for an Order.** The signatories below request that the Director issue an Order approving this Stipulation and ordering the relief agreed to in the Stipulation, and consent to the issuance of such Order.

DATED: December 8, 2023

  
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Teresa Kroll  
Chief Market Conduct Examiner  
Division of Insurance Market Regulation

DATED: November 21, 2023

  
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Name: Charles Harris  
Title: President  
National Health Insurance Company