



**DEPARTMENT OF COMMERCE & INSURANCE**

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

|                                       |   |                                     |
|---------------------------------------|---|-------------------------------------|
| <i>In Re:</i>                         | ) |                                     |
|                                       | ) |                                     |
| <b>NEW ERA LIFE INSURANCE COMPANY</b> | ) | <b>Market Conduct Investigation</b> |
| <b>OF THE MIDWEST (NAIC #69698)</b>   | ) | <b>No. 373517</b>                   |

**ORDER OF THE DIRECTOR**

**NOW**, on this 04<sup>th</sup> day of May, 2021, Director, Chlora Lindley-Myers, after consideration and review of the Stipulation of Settlement (hereinafter “Stipulation”) entered into by the Division of Insurance Market Regulation (hereinafter “Division”), and New Era Life Insurance Company of the Midwest (NAIC #69698) (hereinafter “New Era”), relating to the market conduct investigation no. 373517, does hereby issue the following orders:

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

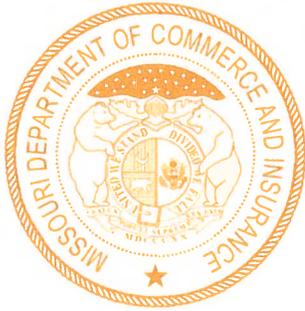
**IT IS THEREFORE ORDERED** that New Era and the Division having agreed to the Stipulation, the Director does hereby approve and agree to the Stipulation.

**IT IS FURTHER ORDERED** that New Era shall not engage in any of the violations of law 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, as amended, or to the Code of State Regulations, 2020, as amended.

**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 04<sup>th</sup> day of May, 2021.



*Chlora Lindley-Myers*

Chlora Lindley-Myers  
Director

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

*In Re:* )  
 )  
NEW ERA LIFE INSURANCE COMPANY ) **Market Conduct Investigation**  
OF THE MIDWEST (NAIC #69698) ) **No. 373517**

**STIPULATION OF SETTLEMENT**

It is hereby stipulated and agreed by the Division of Insurance Market Regulation (hereinafter, the “Division”), and New Era Life Insurance Company of the Midwest (NAIC #69698) (hereinafter “New Era”), 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; and

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

**WHEREAS**, the Division conducted a market conduct investigation of New Era, investigation #373517; and

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

1. For 2017 through 2020, New Era failed to file its Medicare Supplement premium rates, rating schedule, and supporting documentation including ratios of incurred losses to earned premiums by policy duration for approval in violation of 20 CSR 400-3.650(15)(C)(2).

**WHEREAS**, the Division and New Era 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.** New Era 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, to reasonably ensure that the errors noted in the market conduct investigation and this Stipulation do not recur. Such remedial actions shall include, but are not limited to, the following:

1. New Era agrees to file their Medicare Supplement rates, rating schedule, and supporting documentation including ratios of incurred losses to earned premiums by policy duration for approval annually in accordance with 20 CSR 400-3.650(15)(C), even if there are no changes to their rates. Such filings shall be made through the System for Electronic Rate and Form Filing (“SERFF”), with the first filing including a statement indicating that “as a result of a Missouri market conduct investigation, the attached filing is being filed with the Department.”

C. **Compliance.** New Era agrees to file documentation with the Division, in a format acceptable to the Division, within 30 days of the entry of a final order of any remedial action taken pursuant to Paragraph B to implement compliance with the terms of this Stipulation. Such documentation is provided pursuant to §374.190, RSMo.

D. **Fees.** New Era agrees to pay any reasonable fees expended by the Division in conducting its review of the documentation provided by the Company pursuant to Paragraphs B and

C of this Stipulation.

E. **Penalties.** The Division agrees that it will not seek penalties against New Era in connection with market conduct investigation #373517.

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

G. **Waivers.** New Era, after being advised by legal counsel, does hereby voluntarily and knowingly waive any and all rights for 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 #373517.

H. **Changes.** No changes to this Stipulation shall be effective unless made in writing and agreed to by representatives of the Division and New Era.

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

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

K. **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 and delivery of this Stipulation by facsimile or by an electronically transmitted signature shall be fully and legally effective and binding.

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

M. **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: 4-16-2021



\_\_\_\_\_  
Stewart Freilich  
Chief Market Conduct Examiner and  
Senior Counsel  
Division of Insurance Market Regulation

DATED: 4/15/21



\_\_\_\_\_  
Janie Goss  
Senior Vice President – Senior Market Division  
New Era Life Insurance Company of the Midwest