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BEFORE THE STATE OF ALASKA
OFFICE OF ADMINISTRATIVE HEARINGS
ON REFERRAL FROM THE DIRECTOR OF THE DIVISION OF INSURANCE

In the Matter of)
)
THE NATIONAL BETTER LIVING) OAH No. 12-0115-INS
ASSOCIATION) Division No. D 12-03
)
_____)

STIPULATED AGREEMENT AND ORDER

The State of Alaska, Department of Commerce, Community, & Economic Development, Division of Insurance (division) and The National Better Living Association (NBLA), stipulate and agree that all allegations of violations AS 21.36.505 that are included in the Cease and Desist Order D 12-03 issued to NBLA are resolved as follows.

I. BACKGROUND

A. NBLA is a membership association that the division alleges is subject to regulation by the division. NBLA sells membership packages that give the members access to discounted savings on health care services through a network organization that has contracted with NBLA. Some NBLA membership packages also provide members limited reimbursable insurance benefits that are underwritten, administered, and paid by insurers. NBLA membership fees include premium for insurance benefits depending on the membership level selected by the consumer.

B. NBLA does not have direct contracts with health care providers in Alaska as required under AS 21.36.505. NBLA has contracts with network organizations that, in turn, have contracts with the health care providers.

1 II. TERMS OF AGREEMENT

2 1. NBLA will not issue a membership to an Alaska resident and NBLA's
3 website and any other active website that NBLA controls that may solicit or reference NBLA
4 memberships, including any advertising or promotional material accessible by Alaska
5 consumers will make clear that NBLA memberships are not available in Alaska.
6

7 2. NBLA agrees to terminate all current Alaska memberships and refund all
8 said membership fees as described in this paragraph. NBLA will notify Alaska members of the
9 termination within 30 days of the date that the director signs the order approving this
10 agreement. In the notification, NBLA agrees to offer the members the opportunity to continue
11 any insurance benefits obtained through a membership until the first renewal date after the
12 notification is received. Within 30 days of notification by the member to NBLA of the
13 member's desire to cancel the insurance benefits, NBLA will refund the portion of the
14 membership fees attributable to the insurance benefit, pro-rated to the date of termination. If a
15 member chooses to continue the insurance benefit, the insurance will then remain in effect until
16 its first renewal date, at which time it will be cancelled. NBLA will provide the division a copy
17 of the notifications sent to Alaska members and will provide a complete accounting of the
18 refunds to the existing Alaska members at the time the refunds are made.
19

20 3. By executing this agreement, NBLA withdraws its request for a hearing
21 on this matter, without admitting or denying any wrongdoing.

22 4. The division and NBLA understand that this agreement is not binding on
23 the parties unless and until the director signs the order approving the agreement.

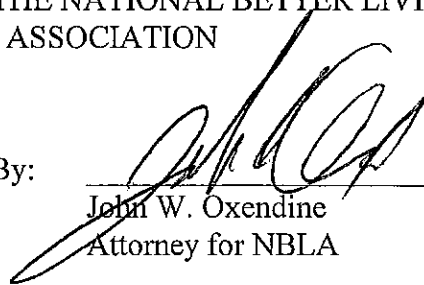
24 5. By executing the order approving this agreement, the director dismisses
25 Cease and Desist Order D 12-03 issued in this matter.
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DATED: 9-26-12

THE NATIONAL BETTER LIVING
ASSOCIATION

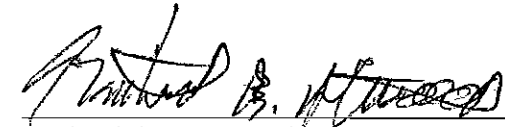
By: _____


John W. Oxendine
Attorney for NBLA

DATED: 10/1/12

MICHAEL C. GERAGHTY
ATTORNEY GENERAL

By: _____


Nathaniel B. Atwood
Assistant Attorney General

ORDER

IT IS ORDERED that this Stipulated Agreement and Order is adopted in full resolution of the issues in this case, and shall constitute the final order in this matter.

DATED this 4th day of October, 2012.


Bret S. Kolb
Director