

STATE OF NORTH DAKOTA
BEFORE THE INSURANCE COMMISSIONER

In the Matter of)	
)	
Sanford Health Plan,)	CONSENT ORDER
FEIN 91-1842494)	
)	CASE NO. CO-16-625
Respondent.)	

TO: Lisa Carlson, Director of Planning and Regulation, Sanford Health Plan, 300 Cherapa Place, Suite 201, Sioux Falls, SD 57103

Insurance Commissioner Adam Hamm (hereinafter "Commissioner") has determined as follows:

1. The Commissioner has authority in this matter pursuant to N.D.C.C. § 26.1-01-03.
2. Sanford Health Plan, FEIN 91-1842494 (hereinafter "Respondent"), is a health maintenance organization that provides health insurance, is licensed under N.D.C.C. ch. 26.1-18.1 as a health maintenance organization, and has been duly authorized to conduct business in North Dakota since 2010.
3. The Commissioner has jurisdiction over the Respondent and the subject matter of this Consent Order, and this Consent Order is made in the public interest.
4. As a result of information obtained by the North Dakota Insurance Department ("Department") during the course of an investigation regarding the conduct of the Respondent, the Commissioner has considered initiating administrative proceedings regarding Respondent's conduct as alleged below and regarding the imposition of a civil

penalty or any other action the Commissioner deems necessary. Respondent's conduct is alleged to be in violation of N.D.C.C. § 26.1-36.1-07.

5. During the course of the investigation, the Department learned that over a period extending from 2010 to 2015, Respondent failed to file certain Medicare supplement advertisements with the Department as required by state law.

6. N.D.C.C. § 26.1-36.1-07 states:

26.1-36.1-07. Filing requirements for advertising.

Every insurer, health care service plan, or other entity Providing medicare supplement insurance or benefits in this state shall provide a copy of any medicare supplement advertisement within ten days after its first use in this state whether through written, radio, or television medium for review or approval by the commissioner to the extent required or authorized by state law.

7. During the course of the investigation, the Department learned that Respondent did not file the following Medicare supplement advertisements with the Department:

1. "Health Plan Medicare Supplement Fillable 6x10" – advertisement published in Fargo Forum. Attached as Exhibit 1.
2. "300x600 Online Medicare ad" – advertisement published online. Attached as Exhibit 2.
3. "Fargo Forum 5.25x10 Medicare" – advertisement published in Fargo Forum. Attached as Exhibit 3.
4. "ND Direct Mail Letter Fall 2011" – direct mail letter sent to North Dakota residents. Attached as Exhibit 4.
5. "ND Sanford Select Postcard 11-11" – post card mailed to North Dakota residents. Attached as Exhibit 5.
6. "SVHP-0829 – Sanford Select" - pamphlet issued in North Dakota. Attached as Exhibit 6.

7. "SVHP-0831ND Select Generations ad 9.916 x 10.625" – advertisement published in North Dakota. Attached as Exhibit 7.
8. "SVHP-0831 ND Select Generations ad" – advertisement published in North Dakota. Attached as Exhibit 8.
9. "SVHP-0840 Select Supplement_Finley" – advertisement published in the Finley, North Dakota, area. Attached as Exhibit 9.
10. "SVHP-0841 Select Supplement_Mayville" – advertisement published in the Mayville, North Dakota, area. Attached as Exhibit 10.
11. "SVHP-0842 Select Supplement_Fargo" – advertisement published in the Fargo, North Dakota, area. Attached as Exhibit 11.
12. "SVHP-1460 Mailer Health Plan Medicare Supplement 8_5x5_5" mailer sent to North Dakota residents. Attached as Exhibit 12.
13. "Health Plan Medicare Supplement Fillable 6x10" – advertisement published in the Bismarck Tribune. Attached as Exhibit 13.
14. "SNF-2427_Sanford-Medicare-Select" – radio advertisement aired in North Dakota.

8. Respondent's failure to file any of the 14 advertisements outlined above constitutes 14 separate violations of N.D.C.C. § 26.1-36.1-07.

9. During the course of the investigation, the Department reviewed the content of the 14 advertisements outlined above and determined that 9 of the 14 advertisements contain content that the Department would have required Respondent to change before publishing or continuing to publish each of these 9 advertisements. Specifically, the Department would have required changes to the content of Exhibits 1, 3, 4, 5, 6, 7, 8, 12 and 13.

10. Pursuant to N.D.C.C. § 26.1-01-03.3, Respondent may be subjected to an administrative penalty for each violation of N.D.C.C. § 26.1-36.1-07.11.

11. Respondent has been duly apprised of all allegations.

12. Respondent has agreed to an informal disposition of this matter, without a hearing, as provided under N.D.C.C. § 28-32-22.


13. For purposes of resolving this matter, without further administrative proceedings, Respondent and the Commissioner have agreed to enter into the following Order.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. Respondent is assessed and shall pay an administrative penalty in the amount of \$22,000 which shall be paid within 30 days of the execution of this Order. Payment must be mailed to: North Dakota Insurance Department, 600 East Boulevard Avenue, Dept. 401, Bismarck, ND 58505.

2. The use of this Consent Order for competitive purposes by an insurance producer or agency holding a license in the State of North Dakota, or by any company holding a Certificate of Authority, or by anyone on their behalf, may be deemed unfair competition and be grounds for suspension or revocation of said license or authority.

DATED at Bismarck, North Dakota, this 27th day of June, 2016.



Adam Hamm
Commissioner of Insurance
State of North Dakota

CONSENT TO ENTRY OF ORDER

The undersigned, **Lisa Carlson**, on behalf of Respondent **Sanford Health Plan**,

states that she has read the foregoing Consent Order and is authorized by Respondent to consent to the entry of this Order. The undersigned, on behalf of Respondent, fully understands the contents and effect of the Consent Order. The undersigned, on behalf of the Respondent, acknowledges that Respondent has been advised of its right to be represented by legal counsel, to request a hearing in this matter, to present evidence and arguments to the Commissioner, and of its right to appeal from an adverse determination after hearing. By the signing of this Consent to Entry of Order, the undersigned, on behalf of Respondent, knowingly and voluntarily waives those rights in their entirety and knowingly and voluntarily consents to the entry of this Consent Order by the Insurance Commissioner and agrees to be bound by it. It is further expressly understood that this Consent Order constitutes the entire settlement agreement between the parties hereto, there being no other promises or agreements, either express or implied.

DATED this 15th day of June, 2016.

Sanford Health Plan

By: 
Lisa Carlson
Director of Planning and Regulation

State of South Dakota

County of Minnehaha

Subscribed and sworn to before me this 15th day of June, 2016.


Notary Public

My commission expires: 9/15/2021





Medicare supplement insurance

Starting as low as \$113.67* for a Plan F

With Sanford Medicare Supplement you get affordable premiums, local service and access to any provider or health care facility that accepts Medicare, all with one of North Dakota's most affordable options for Medicare supplement insurance.

Enjoy pie and coffee while our insurance experts provide information on how Sanford Medicare Supplement can benefit you.

Tuesday, Nov. 17, 1:30 – 2:30 p.m.

Tuesday, Dec. 8, 1:30 – 2:30 p.m.

Tuesday, Jan. 5, 1:30 – 2:30 p.m.

Location:

Sanford Health Plan, Bison Room

1749 38th St. S.

Fargo, ND 58103

Call (888) 605-9277 to reserve your spot.

Medicare decisions made easy.

**Premium rate for Plan F, female age 65 non-tobacco in North Dakota. Premiums or rates may increase for other reasons such as an increase applicable to all persons covered under this type of policy or certificate in North Dakota. Neither Sanford Health Plan nor its agents are affiliated with Medicare nor the state or federal government.*

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SANFORD | Medicare Select
HEALTH PLAN | Supplement



Medicare decisions made easy

What's on your list of essentials when it comes to supplemental health insurance? Chances are you want a plan that fits your pocketbook. Your dreams. Your active life. That's why Sanford Health Plan offers Sanford Select, a Medicare supplement insurance product that's flexible and affordable with plans starting as low as \$44.03* a month.

Contact your local insurance agent or call
1-888-605-9277 to learn more.

Enjoy retirement. Enjoy life. Choose Sanford Select.

sanfordmedicareselect.com

*Premium rate for High-Deductible Plan F, female non-smoker age 65. Premiums or rates may increase for other reasons such as an increase applicable to all persons covered under this type of policy or certificate in North Dakota. Neither Sanford Health Plan nor its agents are affiliated with Medicare nor the state or federal government.

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Supplement



Dear Medicare Beneficiary,

What's on your list of essentials when it comes to supplemental health insurance? Chances are you want a plan that fits your pocketbook. Your dreams. Your active life. That's why Sanford Health Plan offers Sanford Select, a Medicare supplement insurance product that's flexible and affordable.

Sanford Select offers the same benefits as standard supplement plans with one exception, you agree to use Sanford's network when it comes to non-emergency hospitalizations and surgeries. Our participating network facilities agree to waive the Part A deductible, enabling us to pass the savings onto you through lower premiums.

North Dakota Rates Female Non-Smoker

Age	F High Deductible
65	\$41.98
66	\$42.84
67	\$43.70
68	\$45.86
69	\$48.04
70	\$50.28

North Dakota Rates Male Non-Smoker

Age	F High Deductible
65	\$42.44
66	\$43.30
67	\$44.17
68	\$47.40
69	\$50.61
70	\$53.87

Note: Your monthly premium is based on your age and plan benefits. Sanford Health Plan can only raise your premium if we raise the premium for all policies like yours in this state. If it becomes necessary, due to heavy utilization, for us to change your rate structure on the same year you have a birthday, you may sustain both increases the same year.

Sanford Health Plan is offering a special enrollment into Sanford Select with effective dates between October 25, 2011 to February 14, 2012. Contact your local insurance agent or call 1-888-605-9277 to request a sales packet and outline of plans and we will connect you with one of our trained agents in your area. You can also visit sanfordmedicareselect.com at any time to learn more about Sanford Select.

Enjoy retirement. Enjoy life. Choose Sanford Select.

Sincerely,

Sanford Health Plan Sales
1-888-605-9277
sanfordmedicareselect.com



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Enjoy retirement. Enjoy life.
Choose Sanford Select.

Sanford Select is one of North Dakota's most affordable options for Medicare supplement insurance starting as low as **\$41.98*** a month.

Sanford Health Plan is offering a special enrollment into Sanford Select with effective dates between October 25, 2011 to February 14, 2012.

Please call 1-888-605-9277 or visit sanfordmedicareselect.com to learn more.

Plan on the best fit.

* Premium rate for High-Deductible Plan F, female non-smoker age 65. Premiums or rates may increase for other reasons such as an increase applicable to all persons covered under this type of policy or certificate in North Dakota. Neither Sanford Health Plan nor its agents are affiliated with Medicare nor the state or federal government.

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Sanford Health Plan
PO Box 91110
Sioux Falls, SD 57109-1110



Sanford Select's 9-Point Advantage

1. Affordable premiums
2. Local agents you know and trust
3. No claim filing
4. No prior authorization required
5. Member discounts from participating providers
6. Choice of doctors, including specialists
7. Emphasis on health, wellness and prevention at every stage of life
8. Patient-focused health care provided by quality network facilities
9. Excellent customer service every step of the way

Questions?

Contact your local insurance agent or call 1-888-605-9277 and we will connect you with one of our trained agents in your area. Visit www.sanfordhealthplan.com at any time to learn more about Sanford Select.

Choose Sanford Select — and wherever retirement takes you, enjoy your life!

SVHP-0829 Rev. 11/10

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PO Box 91110
Sioux Falls SD 57109-1110

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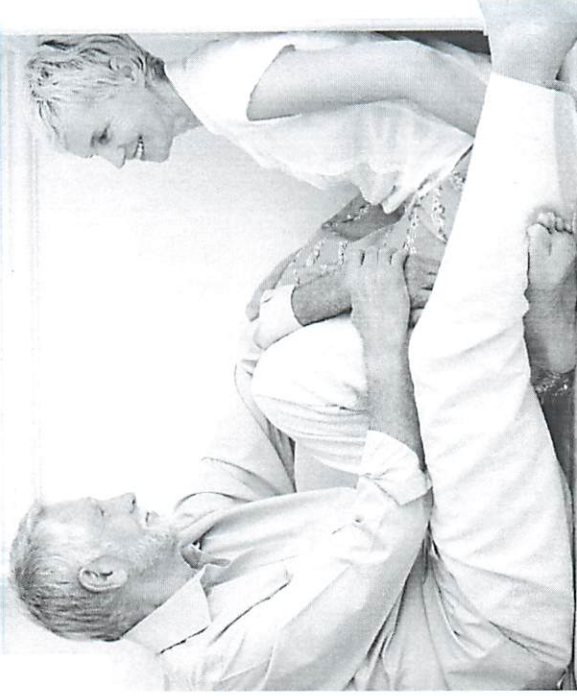
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Sanford Select

Your New Choice for Medicare
Supplement Insurance



Plan on the best fit.

sanfordhealthplan.com

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Affordable

Sanford Select is one of North Dakota's most affordable options for Medicare supplement insurance. It works like this:

- You choose your clinics, doctors and specialists — just as you would in a standard supplement plan.
- But for non-emergency hospital and surgical care, you use hospitals and surgery centers within the Sanford Health network. In North Dakota, this includes Sanford Medical Center Fargo, Sanford South University, Sanford Mayville Medical Center and Midwest Vision Center in Grand Forks.
- The result? You'll enjoy lower premiums.

North Dakota Plan F Non-Tobacco Rates

Age	Male	Female
65	\$91.40	\$90.30
66	\$92.80	\$91.70
67	\$94.20	\$93.10

North Dakota Plan F Tobacco Rates

Age	Male	Female
65	\$111.70	\$110.30
66	\$113.40	\$112.00
67	\$115.10	\$113.70

What's on your list of essentials when it comes to supplemental health insurance? Chances are you want a plan that fits your pocketbook. Your dreams. Your active life.

Count on Sanford Select — your new choice for Medicare supplement insurance.

Flexible

- You're free to fly south for the winter, but can your supplemental insurance travel with you?
- Sanford Select offers snowbird simplicity. Members can easily convert to a standard policy — no requirements, no hassle. You can use any clinic or hospital while you're away.

Note: Your premium is based on your age and plan benefits. Sanford Health Plan can only raise your premium if we raise the premium for all policies like yours in this state. If it becomes necessary, due to heavy utilization, for us to change our rate structure on the same year you have a birthday, you may sustain both increases the same year.



Your pocketbook. Your dreams. Your life.

Sanford Select is one of North Dakota's most affordable options for Medicare supplement insurance.

From October 15, 2011 – February 14, 2012 Sanford Health Plan will be offering an open enrollment into the Sanford Select plans A, C, F and N. This open enrollment period will be guaranteed for all applicants regardless of health conditions.

Enjoy affordable premiums - visit sanfordmedicareselect.com or call 1-888-605-9277.

Plan on the best fit.

Neither Sanford Health Plan nor its agents are affiliated with Medicare or the State/Federal Government.

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Medicare Open Enrollment

Your pocketbook. Your dreams. Your life.

Sanford Health Plan is now offering an open enrollment into the Sanford Select plans A, C, F and N. This open enrollment period is guaranteed for all applicants regardless of health conditions!

- Affordable Premiums
- A locked in rate until April 2012
- Choice of doctors, including specialists
- Emphasis on health, wellness and prevention
- Excellent customer service
- Patient-focused health care provided by quality network facilities

Contact your local insurance agent to learn more about Sanford Select – your new choice for Medicare supplement insurance or call 1-888-605-9277 to be connected to a trained agent in your area.

Neither Sanford Health Plan nor its agents are affiliated with Medicare or the State/Federal Government.

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Medicare decisions

should be easy.

You're invited to attend an informational meeting to learn more about the benefits of Sanford Select, a new choice for Medicare Supplement Insurance in North Dakota.

- Affordable premiums
- A locked in rate until April 2012
- Work with local agents you know and trust

Please call (701) 234-6784 to register for the informational session that will take place at the Finley Cafe:

Wednesday, Dec. 1 2-3:30 p.m.

Refreshments will be provided.

SNHP-6840 Finley rev. 11/10

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- Work with local agents you know and trust

Please call (701) 234-6784 to register for the informational session that will take place at the Mayville Senior Center in Mayville, ND:

Wednesday, Dec. 1 9:30-11 a.m.

Refreshments will be provided.

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Medicare decisions

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- A locked in rate until April 2012
- Work with local agents you know and trust

Please call (701) 234-6784 to register for one of the following sessions that will take place at the Dr. James Carlson Library Community Room in Fargo:

- Thursday, Dec. 2 10-11:30 a.m.
- Thursday, Dec. 2 2-3:30 p.m.

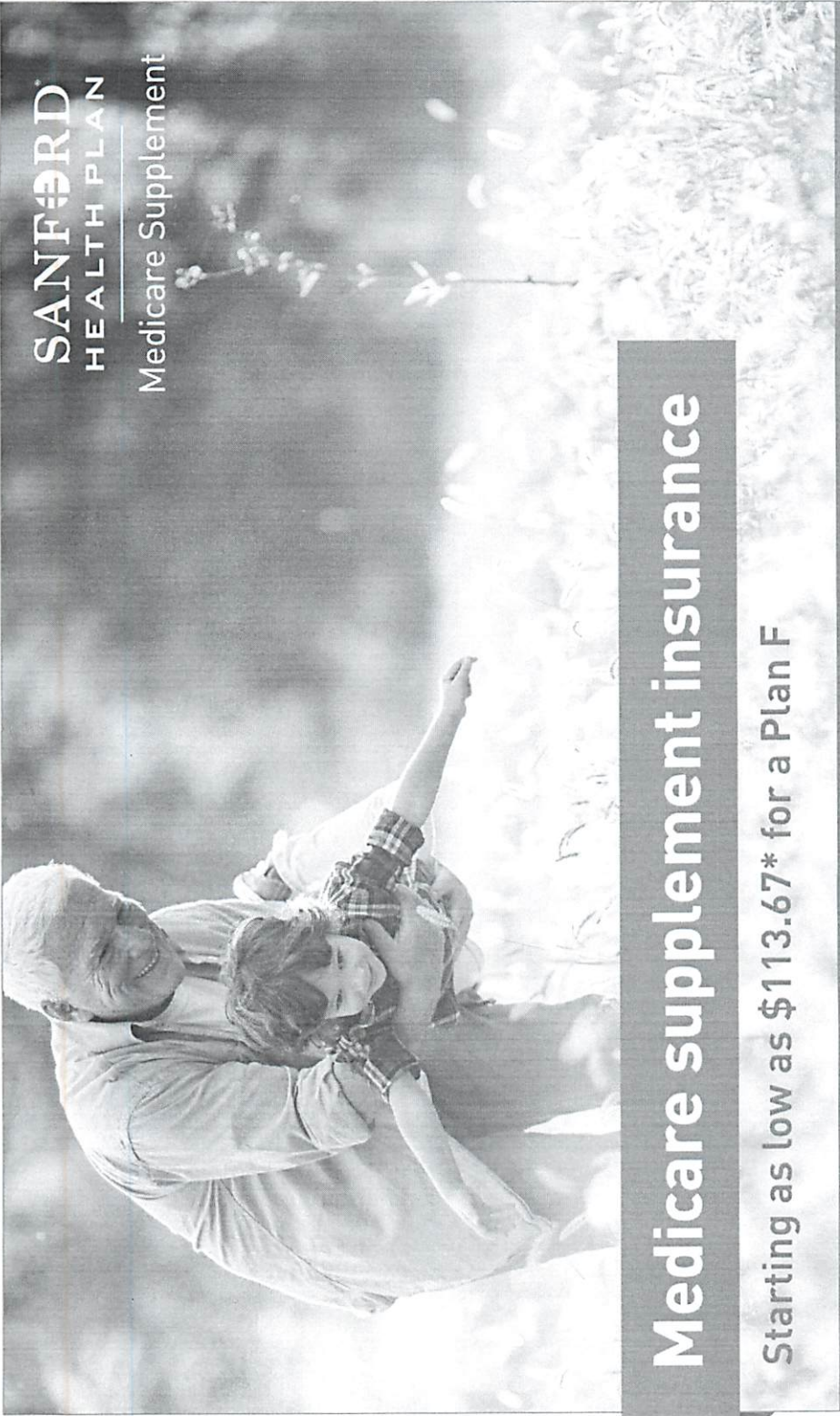
Refreshments will be provided.

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SNHP-0842 Fargo rev. 11/10



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Medicare Supplement

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Starting as low as \$113.67* for a Plan F

With Sanford Medicare Supplement you get affordable premiums, local service and access to any provider or health care facility that accepts Medicare, all with one of North Dakota's most affordable options for Medicare supplement insurance.

Why choose Sanford Medicare Supplement?

1. Affordable premiums
2. You can see any provider, hospital or doctor that accepts Medicare
3. Local service every step of the way

Call (888) 605-9277 for more information.

**Premium rate for Plan F, female age 65 non-tobacco in North Dakota. Premiums or rates may increase for other reasons such as an increase applicable to all persons covered under this type of policy or certificate in North Dakota. Neither Sanford Health Plan nor its agents are affiliated with Medicare nor the state or Federal government.*

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PO Box 91110
Sioux Falls, SD 57109-1110



Medicare supplement insurance

Starting as low as \$113.67* for a Plan F

With Sanford Medicare Supplement you get affordable premiums, local service and access to any provider or health care facility that accepts Medicare, all with one of North Dakota's most affordable options for Medicare supplement insurance.

Enjoy pie and coffee while our insurance experts provide information on how Sanford Medicare Supplement can benefit you.

Thursday, Nov. 19, 1:30 - 2:30 p.m.

Wednesday, Dec. 9, 1:30 - 2:30 p.m.

Wednesday, Jan. 6, 1:30 - 2:30 p.m.

Location:

Elks Lodge, PER Room

900 S. Washington St.

Bismarck, ND 58504

**Call (888) 605-9277 to reserve your spot.
Medicare decisions made easy.**

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