



**NEWS RELEASE**

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**Kaiser Foundation Health Plan of Colorado Fined \$201,000  
for Market Conduct Violations Affecting Consumers;  
Kaiser Permanente Insurance Company Fined \$166,000**

Denver – Violations were found in two market conduct examinations completed by DORA's Colorado Division of Insurance, announced Insurance Commissioner Marcy Morrison. Kaiser Foundation Health Plan of Colorado (KFHP) and a related company, Kaiser Permanente Insurance Company (KPIC) were recently examined. The final market conduct orders reflected fines of \$201,000 for KFHP and \$166,000 for KPIC.

"Consumers count on health insurers to provide the services they have purchased," said Insurance Commissioner Marcy Morrison. "It's imperative that companies fulfill their responsibilities to the consumers. We have made it clear that our mission is to protect consumers and these market conduct examinations and resulting fines reflect our commitment."

The market conduct examinations, which covered the calendar year 2007, found violations on a number of issues for both companies. The companies have responded to the final agency orders and submitted payment of the fines on July 6, 2009.

The final agency order issued by the Commissioner requires Kaiser to document that they have made changes to correct the problems listed in the report within specific timeframes as directed. Kaiser must report back to the Division of Insurance in writing, documenting changes and improvements, by the required deadlines.

Copies of the market conduct examination reports and final agency orders are available on the Division of Insurance's website at <http://www.dora.state.co.us/insurance/mcexam/mcexam.htm#K>.

DORA's Division of Insurance conducts market conduct examinations of insurance companies to be sure that the companies are in compliance with Colorado insurance law and regulations with respect to rating, underwriting and claim practices. Exams can be scheduled based on consumer complaint activity, special requests, or at regular intervals. The investigation determines if an insurer has followed laws relating to the distribution of products to consumers and settlement of claims.

Market conduct examination reports document the findings of the Division's examiners. The reports indicate violations of the law, if any, discovered during the exam. The reports also summarize actions taken by the insurers to correct the alleged non-compliant practices.

*DORA is dedicated to preserving the integrity of the marketplace and is committed to promoting a fair and competitive business environment in Colorado. Consumer protection is our mission.*

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