



**Division of Insurance**  
Marcy Morrison  
Commissioner of Insurance

Bill Ritter, Jr.  
Governor

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**FOR IMMEDIATE RELEASE**

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### **World Insurance Company Pays \$153,000 Fine for Violations of Insurance Law for Individual Sickness and Accident Plans**

World Insurance Company – a licensed and state-regulated insurance company based in Nebraska – has paid a \$153,000 fine for violations of Colorado insurance law uncovered in a market conduct examination related to sickness and accident insurance plans for individuals.

“Consumers deserve the benefits they have paid for, and World Insurance did not provide the coverage that consumers were promised in many instances,” said Insurance Commissioner Marcy Morrison. “People who are dealing with health issues need to be able to concentrate on getting well, not worrying about whether their health insurance company is in compliance with state law.”

The Division of Insurance’s market conduct examination of World Insurance Company addressed these items and others:

- Failure to provide coverage for procedures that were preauthorized by the company;
- Failure to provide complete benefits for newborn children including an overly restrictive definition of “complication of pregnancy” within their policy forms, and a failure to provide appropriate benefits related to therapies for congenital defects and birth abnormalities;
- Inappropriately excluding from coverage certain organs, systems, or parts of the body the company deemed necessary;
- Inappropriately excluding from coverage certain “high risk” activities such as motorcycling, snowmobiling, off-highway vehicle riding, skiing, or snowboarding;
- Issues related to the timeliness of claims payments, including a failure, in some cases, to pay the appropriate penalty amounts on claims settled outside of the timeframes established by Colorado law; and
- Failure to provide correct information within World’s utilization review approval letters.

World Insurance Company paid the Division of Insurance the assessed fine of \$153,000 to Colorado’s general fund, plus a \$7,500 surcharge for Outreach and Education, on September 9, 2010.

The complete report of the Market Conduct Examination and Final Agency Order can be found on the Division of Insurance website here:

<http://www.dora.state.co.us/insurance/mcexam/MarketRegChron.htm>

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*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.*