



another medicare supplement standardized plan B through G or other more comprehensive coverage than the replacing policy.

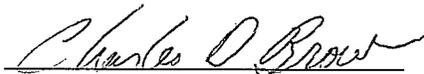
7. The term "other more comprehensive coverage" under RCW 48.66.045 is not confined to medicare supplement standardized plans, and United's policy of medically underwriting medicare supplement applications and guaranteeing issuance of replacement medicare supplement coverage only if the replaced plan is another medicare supplement plan resulted in at least eighty-one violations of RCW 48.66.045(1).

8. United's practice of rejecting applicants for medicare supplement coverage who were entitled to guaranteed issue under RCW 48.66.045(1) harmed consumers and provided United with an unfair competitive advantage over its competitors.

9. RCW 48.05.140(1) authorizes the commissioner to suspend or revoke an insurer's certificate of authority for failing to comply with any provision of the insurance code and RCW 48.05.185 authorizes the commissioner after hearing to impose in addition to or in lieu of suspension or revocation a fine of not less than two hundred fifty dollars and not more than ten thousand dollars.

Accordingly, the OIC staff intends to request imposition of a fine of less than \$10,000 per violation or \$150,000 at the hearing in this matter in lieu of suspension or revocation of United's certificate of authority.

Dated this 18<sup>th</sup> day of July, 2007.



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