

**BEFORE THE COMMISSIONER OF INSURANCE
OF THE STATE OF KANSAS**

In the Matter of)
)
The Hartford Accident and Indemnity)
Company) Docket No. 3710-CO
NAIC#22357)

CONSENT ORDER

The Kansas Insurance Department (“KID”) and the Hartford Accident and Indemnity Company (“Hartford”) wish to resolve an incident arising out of the investigation and adjustment of a workers compensation claim brought by Lavette Parker/Midwest Rehabilitation, P.A. against Hartford. Pursuant to the authority granted to the Commissioner of Insurance (“Commissioner”) by K.S.A. 44-5,120(e), K.S.A. 40-103 *et seq.* and K.S.A. 77-501 *et seq.* the Commissioner hereby agrees to the terms of this Consent Order and accepts the Hartford’s tender of payment in the amount of \$1,000.00 in exchange for dismissal of this action with prejudice.

Findings of Fact

KID and the Hartford agree to the following findings of fact:

1. The Hartford, located at 690 Asylum Avenue, Hartford, Connecticut 06105 has been authorized to transact insurance business in the State of Kansas.
2. On or about August 27, 2007, a complaint referral from the Fraud and Abuse Unit of the Kansas Division of Workers Compensation, against the above-named insurance carrier was received at the Kansas Insurance Department.
3. The complaint was assigned to Ezra J. Ginzburg, Staff Attorney, for his

review to determine if a violation of K.S.A. 44-5,120(d)(15) had taken place and specifically to find whether the insurance carrier had intentionally, knowingly and willfully failed to confirm medical compensation benefits coverage concerning medical bills duly authorized and ordered paid by an Administrative Law Judge and the Workers Compensation Appeals Board.

4. The Kansas Insurance Department (“KID”) has jurisdiction over this matter pursuant to K.S.A. 44-5,120, K.S.A. 40-103 *et seq*, and K.S.A. 77-501.
5. In lieu of filing a Summary Order alleging a violation of K.S.A. 44-5,120(d) arising out of Hartford’s conduct in this Kansas workers compensation claim involving claimant Lavette Parker and in lieu of further administrative litigation in this matter by the Kansas Insurance Department for alleged acts of abusive conduct as defined in K.S.A. 44-5,120(d), both KID and Hartford have jointly agreed to the terms of this Consent Order.
6. KID and the Hartford jointly agree that Hartford will pay the sum of One Thousand Dollars (\$1,000.00) and KID will dismiss this action with prejudice.
7. KID acknowledges that Hartford admits no liability whatsoever in agreeing to this Consent Order. The payment made pursuant to this agreement shall not be construed in any fashion as an admission of liability on behalf of the Hartford or as an admission that Hartford was in any way at fault or committed any wrongful acts for the purposes of this administrative action

or for the purposes of any other litigation, administrative or civil, arising out of this incident including, but not limited to, *Lavette Parker v. Hartford Insurance Company, Docket No. 233,018.*

Applicable Law

1. K.S.A. 77-501 *et seq.* – The Kansas Administrative Procedures Act
2. K.S.A. 77-601 *et seq.* – The Act for Judicial Review and Civil Enforcement of Agency Action.
3. K.S.A. 44-5,120 *et seq.*- Fraudulent or abusive acts or practices; defined; powers, duties and functions of director of workers compensation and commissioner or insurance, etc...

Conclusions of Law

IT IS, THEREFORE, AGREED UPON BY THE COMMISSIONER OF INSURANCE AND THE HARTFORD INSURANCE COMPANY (“THE HARTFORD”):

- a. The Hartford agrees to make a payment of One Thousand Dollars (\$1,000) to KID in exchange for the dismissal of this action with prejudice.
8. KID acknowledges that the Hartford admits no liability whatsoever in agreeing to this Consent Order. The payment made pursuant to this agreement is in settlement of disputed claims and shall not be construed in any fashion as an admission of liability on behalf of Hartford or as an admission that Hartford was in any way at fault or committed any wrongful acts for the purposes of this administrative action or for the purposes of any other litigation, administrative or civil, arising out of this incident

including, but not limited to, LaVette Parker workers compensation claim.

9. The fact of this payment, the settlement negotiations between KID and Hartford the entry of this Consent Order shall not be admissible in evidence in any respect in LaVette Parker's workers compensation claim, Docket No. 233,018.
 - a. Upon the entry of this Consent Order this action shall be dismissed with prejudice.
 - b. The entry of this Consent Order is based upon a strict compromise of disputed issues between KID and the Hartford and may not be used as evidence in any other proceeding.
 - c. The Hartford shall deliver, within twenty (20) days of the entry of this Order, the sum of One Thousand Dollars (\$1,000) to Ezra J. Ginzburg, KID Staff Attorney, on behalf of the Kansas Insurance Department.
 - d. If payment is not made as required, KID may vacate and/or declare this Consent Order void and proceed with a Summary Order and a hearing.

IT IS SO ORDERED THIS 8th DAY OF OCTOBER, 2007, IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.

Sandy Praeger
Commissioner of Insurance

By: /s/ John W. Campbell
John W. Campbell
General Counsel



The Hartford Insurance Company

By: /s/ Richard A. Bowman

Certificate of Service

The undersigned hereby certifies that he served a true and correct copy of the above and foregoing Consent Order on this 8th day of October, 2007, by placing the same in the United States Mail, first class postage prepaid, addressed to the following:

Mr. Richard Bowman, AIC
The Hartford
Central Workers Compensation Claims Center
7300 West 110th Street
Overland Park, Kansas 66210

Ms. Pat DeFrancesco, Director
Hartford Plaza HO-GL-42
Hartford, CT 06105

/s/ Ezra J. Ginzburg
Ezra J. Ginzburg
Staff Attorney