

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

In the Matter of)
)
PROTECTIVE LIFE INSURANCE COMPANY) Docket No. 4662-MC
NAIC #68136)

SUMMARY ORDER

Pursuant to the authority conferred upon the Commissioner of Insurance in K.S.A. 40-222, Sandy Praeger, the duly elected, qualified and serving Commissioner of Insurance hereby adopts the Kansas Insurance Department’s Report of Market Conduct Examination of Protective Life Insurance Company (“Protective Life”), as of December 31, 2012 (attached herein as Attachment A) by incorporating the same in its entirety with specific findings stated as follows. This Summary Order shall become effective as a Final Order, without further notice, upon the expiration of the 15 day period if no request for a hearing is made, pursuant to K.S.A. 77-542.

Findings of Fact

1. The Commissioner of Insurance has jurisdiction over this matter pursuant to K.S.A. 40-222.
2. The Kansas Insurance Department (“Department”) completed a targeted market conduct examination of Protective Life. The period of examination was January 1, 2010 through December 31, 2012.
3. The Examiner-in-Charge provided Protective Life a draft of the Market Conduct Examination report (“Report”) with a request for Protective Life’s response in the form of written comments, additions, or acceptance.
4. Protective Life responded to the Report with written comments.

5. The Department examined Protective Life's complaint handling with respect to (1) whether complaints are recorded in the required format on the Protective Life's complaint register; (2) whether Protective Life has adequate complaint handling procedures in place and communicates such procedures to policyholders; (3) whether Protective Life takes adequate steps to finalize and dispose of the complaint in accordance with applicable statutes, rules and regulations, and contract language; and (4) whether the time frame within which the Protective Life responds to complaints is in accordance with applicable statutes, rules and regulations.
6. Protective Life Insurance Company did not fail any standard which was examined.

Applicable Law

K.S.A. 40-222 states, in pertinent part:

(a) Whenever the commissioner of insurance deems it necessary but at least once every five years, the commissioner may make, or direct to be made, a financial examination of any insurance company in the process of organization, or applying for admission or doing business in this state. In addition, at the commissioner's discretion the commissioner may make, or direct to be made, a market regulation examination of any insurance company doing business in this state.

K.S.A. 40-2404 states, in pertinent part:

The following are hereby defined as unfair methods of competition and unfair or deceptive acts or practices in the business of insurance:

(10) Failure to maintain complaint handling procedures. Failure of any person, who is an insurer on an insurance policy, to maintain a complete record of all the complaints which it has received since the date of its last examination under K.S.A. 40-222, and amendments thereto; but no such records shall be required for complaints received prior to the effective date of this act. The record shall indicate the total number of complaints, their classification by line of insurance, the nature of each complaint, the disposition of the complaints, the date each complaint was originally received by the insurer and the date of final disposition of each complaint. For purposes of this subsection, "complaint" means any written communication primarily expressing a grievance related to the acts and practices set out in this section.

Conclusions of Law

Based upon the Findings of Fact enumerated in Paragraphs #1 through #4 and the Applicable Law cited above, **IT IS, THEREFORE, ORDERED BY THE COMMISSIONER OF INSURANCE:**

1. The Commissioner of Insurance has jurisdiction over this matter pursuant to K.S.A. 40-222.
2. The Kansas Insurance Department's ("KID") Report of Market Conduct Examination of Protective Life as of December 31, 2012 is herein adopted in its entirety.

IT IS SO ORDERED THIS __12th__ DAY OF JUNE, 2014, IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.



/s/ Sandy Praeger
Sandy Praeger
Commissioner of Insurance

BY:

/s/ John Wine
John Wine
General Counsel

NOTICE OF RIGHTS

Protective Life is entitled to a hearing pursuant to K.S.A. 77-537, the Kansas Administrative Procedure Act. If Protective Life desires a hearing, Protective Life must file a written request for a hearing with:

John Wine, General Counsel
Kansas Insurance Department
420 S.W. 9th Street
Topeka, Kansas 66612

This request must be filed within fifteen (15) days from the date of service of this Summary Order. If Protective Life requests a hearing, the Kansas Insurance Department will notify Protective Life of the time and place of the hearing and information on the procedures, right of representation, and other rights of parties relating to the conduct of the hearing before the commencement of the same.

If a hearing is not requested in the time and manner stated above, this Summary Order shall become effective as a Final Order upon the expiration of time for requesting a hearing, pursuant to K.S.A. 77-613. In the event that Protective Life files a petition for judicial review, pursuant to K.S.A. 77-613(e), the agency officer to be served on behalf of the Kansas Insurance Department is:

John Wine, General Counsel
Kansas Insurance Department
420 S.W. 9th Street
Topeka, Kansas 66612

CERTIFICATE OF SERVICE

The undersigned hereby certifies that he served the above and foregoing Order and Notice of Rights on this __12th__ day of June, 2014, by causing the same to be deposited in the United States Mail, registered mail with return-receipt requested postage prepaid, addressed to the following:

Protective Life Insurance Company
Attn: Laura Bagby, Regulatory Analyst
2801 Highway 280 South
Birmingham, AL 35223

_s/ Elizabeth Hickert Fike_____

Elizabeth Hickert Fike
Attorney
Consumer Assistance Division