

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

In the Matter)
THE CINCINNATI INSURANCE) **Docket No:**
COMPANY)
NAIC #10677)

CONSENT AGREEMENT AND FINAL ORDER
(Pursuant to K.S.A. 44-5,125 and K.S.A. 77-501 et seq.)

Now on this 13th day of ~~January~~ ^{February} 2019, the Kansas Insurance Department ("KID") and The Cincinnati Insurance Company ("Cincinnati") come before the Commissioner for formal disposition of the above captioned matter. The parties submit this proposed Consent Agreement and Final Order for adoption, rejection, or modification.

KID and Cincinnati wish to resolve this matter by entering into this Consent Agreement. Cincinnati hereby waives all rights to further administrative adjudication or review of this matter, including all rights conferred upon it under K.S.A. 77-501 et seq.

This proposed Consent Order directs that Cincinnati pay a fine of \$500.00 and cease and desist from the conduct described. This Order shall become effective as a Final Order, without further notice, when signed by the Commissioner or his designee and filed of record with the KID.

Findings of Fact

The Commissioner has been shown the following facts:

1. Cincinnati is located at 6200 South Gilmore Toad, Fairfield, OH 45014.
2. Cincinnati has been authorized to transact insurance business in the State of Kansas since June 29, 1983.

3. Cincinnati Insurance Company did not pay a claim until 60 days after the Kansas Court of Appeals affirmed the decision of the administrative law judge granting compensation.

Applicable Law

1. K.S.A. 44-5,120(d) states, in part:

Fraudulent or abusive acts or practices for purposes of the workers compensation act include willfully, knowingly or intentionally:

(18) refusing to pay compensation as and when the compensation is due;

(19) refusing to pay any order awarding compensation.

2. K.S.A.44-5,120(g) provides, in part, that when the commissioner finds that a person have engaged in an abusive act or practice, the commissioner:

shall issue an order or summary order requiring such person to cease and desist from engaging in such act or practice and, in the exercise of discretion, may order any one or more of the following:

(1) Payment of a monetary penalty of not more than \$2,000 for each and every act constituting the fraudulent or abusive act or practice, but not exceeding an aggregate penalty of \$20,000 in a one-year period;

Applicable Public Policy

The purpose of this action is to effectuate the policy set forth in K.S.A. 44-5,120.

Conclusions of Law

Based upon the Findings of Fact enumerated in Paragraphs #1 through #14, the Applicable Law, and the Applicable Public Policy cited above, the Commissioner of Insurance finds as follows:

1. The Commissioner of Insurance has jurisdiction over Cincinnati and the subject matter of this proceeding and such proceeding is held in the public interest.
2. Cincinnati has violated K.S.A. 44-5,120(d)(19) by failing to pay an order awarding compensation in a timely manner.

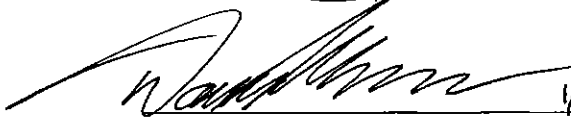
IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE:


1. Cincinnati shall pay a fine of \$500.00 for the above-described violation.
2. Cincinnati shall cease and desist from delay in paying claims when liability is clear.

IT IS SO ORDERED THIS 13th DAY OF ~~JANUARY~~ 2019, IN THE CITY
OF TOPEKA, STATE OF KANSAS. FEBRUARY 19



APPROVED BY:



Cincinnati Insurance
Corporation 1/14/19


Kansas Insurance Department
General Counsel

Certificate of Service

The undersigned hereby certifies that she served the above and foregoing Consent Agreement and Final Order on this 13th day of February 2019, by causing the same to be deposited in the United States Mail, first class postage prepaid, addressed to the following:

Daniel R. Brewer
Secretary & Manager
Claims Workers' Compensation
The Cincinnati Insurance Company
6200 S. Gilmore Road
Fairfield, OH 45014-5141



Toni Garrard
Senior Administrative Assistant