

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

In the Matter)	
SENTINEL INSURANCE COMPANY, LTD)	Docket# 74363
NAIC #11000)	

CONSENT AGREEMENT AND FINAL ORDER

(Pursuant to K.A.R. 40-1-34, K.S.A. 40-2407, and K.S.A. 77-501 et seq.)

Now on this 16th day of January 2019, the Kansas Insurance Department ("KID") and Sentinel Insurance Company, LTD ("Sentinel") 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 Sentinel wish to resolve this matter by entering into this Consent Agreement. Sentinel 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 Sentinel pay a fine of \$2,000 and enters an order that Sentinel 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. Sentinel is located at One Hartford Plaza, Hartford, CT 06155.
2. Sentinel has been authorized to transact and has continuously transacted insurance business in the State of Kansas since September 19, 2000.

3. On December 27, 2017, Mr. Leo Logan, an attorney for an insured, give notice to Sentinel that a lawsuit had been filed against Sentinel's insured. Mr. Logan requested coverage on behalf of his client.
4. On December 28, 2017, Mr. Daniel Sweeney of Sentinel emailed Mr. Logan acknowledging receipt of the claim. Mr. Sweeney also requested copies of the pleadings so he could complete a review of the allegations and coverage.
5. On December 28, 2017, Mr. Logan provided Mr. Sweeney with a copy of the pleadings. In addition, Mr. Logan requested copies of the insured's insurance policies.
6. On January 10, 2018, Mr. Logan sent an email to Mr. Sweeney asking for the status of copies of the insured's policies.
7. On or about January 23, 2018, Mr. Logan sent a letter to Sentinel requesting defense and indemnity.
8. On June 21, 2018, Mr. Logan renewed the demand for defense and indemnity.
9. On July 5, 2018, Sentinel responded to Mr. Logan stating that there was no coverage under the policy.
10. The updates provided from December 28, 2017 through June 21, 2018 were not documented in the claim notes provided by Sentinel.

Applicable Law

1. K.A.R. 40-1-34. Section 4 states:
 - (a) The insurer's claim files shall be subject to examination by the [Commissioner] or by his duly appointed designees. Such files shall contain all notes and work papers pertaining to the claim in such detail that pertinent events and dates of such events can be reconstructed.

2. K.A.R. 40-1-34, Section 6 C states:

- (a) An appropriate reply shall be made within ten working days on all . . . pertinent communications from a claimant which reasonably suggest that a response is expected.

Applicable Public Policy

The purpose of this action is to effectuate the policy set forth in K.A.R. 40-1-34, Sections 4 and 6 C.

Conclusions of Law

Based upon the Findings of Fact enumerated in Paragraphs #1 through #10, 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 Sentinel and the subject matter of this proceeding and such proceeding is held in the public interest.
2. Sentinel has violated K.A.R. 40-1-34, Section 4 by not keeping notes and work papers related to this claim in such detail that events and dates could be reconstructed.
3. Sentinel has violated K.A.R. 40-1-34, Section 6 C by not responding in a timely manner to inquiries from counsel for the insured.

IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE:

1. Pursuant to K.S.A. 40-2407(a), Sentinel shall cease and desist from failing to document events in claim files and shall cease and desist from delay in responding to communication in regard to claims.

2. Pursuant to K.S.A. 40-2407(a)(1), Sentinel shall pay a fine of \$2,000 for the above described violations.

IT IS SO ORDERED THIS 16th DAY OF JANUARY 2019, IN THE CITY OF TOPEKA, STATE OF KANSAS.



BY:

Diane Minear
Diane Minear
General Counsel

APPROVED BY:


Sentinel Insurance Company, Ltd.