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NEWS

Illinois Department of Insurance

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Department of Insurance Announces \$10 Million Settlement with ING

Illinois leads multi-state effort to examine use of Social Security DMF records

CHICAGO - August 20, 2013. Illinois Department of Insurance (DOI) Director Andrew Boron today announced a \$10.7 million settlement with ING regarding its use of the Social Security Administration's Death Master File (DMF) and also announced the release of a market conduct report of the MassMutual Companies. The MassMutual report concludes that the company had complied with the law in its use of the DMF.

The resolutions with both ING and MassMutual stem from multi-state market conduct examinations of the forty largest life insurers regarding the timely payment of proceeds to beneficiaries of life insurance policies and annuities. These examinations were lead by Illinois, along with California, Florida, New Hampshire, North Dakota, and Pennsylvania. Massachusetts was also a lead state on the MassMutual examination.

Under the agreement, ING will implement business reforms to promote a timely and efficient search for the beneficiaries of its in-force life insurance policies and annuities. The company will regularly match all of its insureds and annuitants against the Social Security Administration's Death Master File to help promptly identify when an insured has died, to locate and make payment to beneficiaries.

"I am glad the examinations of two of the largest life insurance companies in the country have been resolved and will ensure the obligations to policyholders and their beneficiaries are being met in a timely manner," said DOI Director Boron. "Illinois will continue to aggressively investigate insurance companies' improper use of the DMF in order to protect policyholders and consumers and to ensure that rightful benefits are paid under insurance policies and annuities."

After conducting the MassMutual and ING exams, insurance regulators have concluded that eight of the largest life insurance company groups already do or will now use information obtained from the DMF to search for beneficiaries if claims have not been filed. In total, life insurance companies with 42.5% of the national market have either settled with insurance regulators or have been found compliant in their use of the DMF. Other investigations are still underway.

ING is the seventh largest life insurance company in the nation with more than \$24 billion in annual premiums. MassMutual is the 11th largest insurance company, nationwide, with more than \$21 billion in annual premiums.

A copy of the ING settlement agreement and the MassMutual examination report are available on the DOI website at <http://insurance.illinois.gov/Home/ImpLinks.asp>. Consumers who have any questions regarding this settlement, or who have any questions or concerns about their insurance, should contact the Department's Consumer Division at <http://insurance.illinois.gov> or call 866-445-5364.

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