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State Announces a Multi-Million Dollar Settlement with Midland

Illinois Dept of Insurance led the investigation that resulted in settlement

CHICAGO – November 25, 2013. Illinois Department of Insurance (DOI) Director Andrew Boron today announced an agreement with Midland National Life Insurance Company and North American Company for Life and Health Insurance (collectively “Midland”) as part of a multi-million dollar settlement with several states regarding its use of the Social Security Administration’s Death Master File (DMF). Under the settlement, Midland will pay \$3.3 million dollars to states that are a party to the settlement.

DOI served as the principal lead in this investigation, with support of insurance regulators from Florida, California, New Hampshire, Iowa, North Dakota, and Pennsylvania. Under the agreement, Midland will implement business reforms to promote a timely and efficient search for the beneficiaries of both its in-force life insurance policies and annuities using the DMF.

“I am pleased that another company has stepped forward to do the right thing and to timely locate and pay benefits owed under its policies. We will continue to aggressively pursue these examinations on behalf of consumers in Illinois,” said DOI Director Boron.

The settlement with Midland is the latest result of multi-state market conduct examinations (investigations) of the forty largest life insurers regarding the timely payment of proceeds to beneficiaries of life insurance policies and annuities. These life insurers and the other smaller insurers who have settled, which represent more than 50% of the market, will regularly match all of its insureds and annuitants against the DMF to help promptly identify when an insured has died, to locate and make payment to beneficiaries.

A copy of the Midland settlement agreement is available 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, may contact DOI’s Consumer Division on the website at <http://insurance.illinois.gov> or by calling 866-445-5364.

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