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NEWS

Illinois Department of Insurance

FOR IMMEDIATE RELEASE:

Wednesday, September 29, 2010

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Illinois Department of Insurance Orders AIM Health Plans, Inc., CEO Clubs, Inc., and Others to Cease and Desist Unlawful Insurance Business

Department alerting consumers of non-comprehensive health insurance coverage scam

Chicago – September 29, 2010. The Illinois Department of Insurance has entered an Order prohibiting AIM Health Plans, Inc., CEO Clubs, Inc. (a/k/a Chief Executive Officers Club), Insurance Resource Group Inc., Integrated Insurance Marketing, Inc., Gary L. Karns, Jr. and Louis R. De Luca (“Respondents”) from transacting an unauthorized insurance business in Illinois. Each Respondent was also fined \$25,000.

The Order alleges that the Respondents were marketing and selling non-comprehensive insurance products in Illinois without a license. These activities have been the subject of numerous consumer complaints received by the Department. Similar actions have been brought against AIM Health Plans, Inc. and CEO Clubs in at least seven other states.

On June 28, 2010, the Illinois Department of Insurance issued a Cease-and-Desist Order and Notice of Hearing against the Respondents. An administrative hearing was conducted on the allegations on August 5, 2010, at which time the Respondents failed to appear.

The Department estimates that more than 500 policies may have been issued to Illinois residents by these Respondents and reminds consumers to deal only with licensed insurers and agents. Insurance professionals at the Department are available to assist consumers in checking the licensure status of a company or agent. The Department also advises consumers who purchased an unauthorized plan to cease making premium payments and to notify relevant bank and credit card companies to prevent additional premium withdrawals from occurring. Consumers should seek to replace coverage purchased through the unlicensed entities or agents as soon as possible.

All parties have the right to appeal the Director’s Order in this matter to the Illinois Circuit Courts.

More information

The Department’s mission is to protect consumers by providing assistance and information, by efficiently regulating the insurance industry’s market behavior and financial solvency, and by fostering a competitive insurance marketplace. The Department assists consumers with all insurance complaints, including health, auto, life, and homeowner. Consumers in need of information or assistance should visit the Department’s Web site at <http://insurance.illinois.gov> or call our toll-free hotline at (866) 445-5364.

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