



Thursday, September 15, 2005

800 Hawaii residents sue life insurer Conseco

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Some 800 Hawaii life insurance policyholders are seeking more than \$10 million in damages from **Conseco Life Insurance Co.** and related entities, alleging the company unfairly raised premiums.

"It is the second of two lawsuits that we have filed on behalf of individual policyholders," said Thomas Grande of **Davis Levin Livingston Grande**, who is a lead attorney of two Hawaii law firms representing the claimants. **Cronin, Fried, Sekiya, Kekina & Fairbanks** is the other firm.

Conseco, headquartered in Indiana, does not have a local office and representatives could not be located for comment yesterday. Conseco's attorneys were not named on the complaint filed in U.S. District Court in Honolulu yesterday.

The new suit alleges Conseco changed its method for calculating insurance premiums, causing prices to rise astronomically and forcing policyholders to choose between paying extremely high policy rates or letting their policies lapse, Grande said. The suit also accuses the company of shifting funds around its various entities, causing substantial losses to policyholders.

Several similar lawsuits have been filed by policyholders around the nation and all the suits are before a federal judge in Los Angeles, though the Hawaii claims will return to the state for trial, Grande said.

The case may not be heard in U.S. District Court in Honolulu for four to eight months, Grande estimated.

"Many of the policyholders are older and these policies were purchased with the assumption that any changes in the premiums would be based upon factors that would be disclosed to the policyholders," Grande said.

"And because many of these claimants are 50 years old or older, it's extremely difficult to get reasonably priced insurance as you get older.

"So we're basically claiming that the company acted unfairly and deceptively in making these changes."



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including Honolulu attorneys and businesspeople, want policies reinstated at the old rates. Some may want monetary damages for what they spent on their Conseco premiums or what they spent to buy a new policy, Grande said.

Article URL: <http://starbulletin.com/2005/09/15/business/story1.html>
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