aetna®

Susan Lackenbach
Risk Management Consultant
Finance Actuarial, Stop Loss
Aetna
151 Farmington Avenue, RE2R
Hartford, CT 06156
Phone: 860-273-8483
e-mail: lackenbachsa@Aetna.com

January 7, 2016

Ms. Lauren Welch
Benefits Specialist
Town of Castle Rock
100 N Wilcox Street
Castle Rock, CO 80104

Dear Ms. Welch:

Enclosed are the Stop Loss policy and the Application for Stop Loss Insurance form effective January 1, 2016. The policy and the application constitute the entire Stop Loss contract.

Please contact your Senior Account Manager, Krista Kelly, at 303-793-2521 if you have any questions.

Sincerely,



Susan Lackenbach

cc: Krista Kelly, Senior Account Manager, Aetna

Kimberly Squires
Senior Account Manager

4582 S Ulster Street, Suite 900
Denver, CO 80237

September 20, 2019

Mayor Jason Gray
Town of Castle Rock
100 N Wilcox St
Castle Rock, CO 80104

Re: Written Notice of Change Stop Loss Policy- SL–847257, Effective 1/1/20

Dear Mayor Gray -

Thank you for your continued business with your confirmation of renewal for the 2020 policy year.

Per your Stop Loss policy (attached, page 3), after the initial policy period, all renewals will be confirmed with written notice. This written notice confirms the following terms will apply for the next policy period which begins on 1/1/20 and ends on 12/31/20.

Stop Loss Benefit	Financial Terms
Individual Limit: $100,000 **Aggregate Limit:** 125% **Contract Basis:** Paid (eligible claims incurred starting 1/1/16 and paid between 1/1/20 and 12/31/20)	**Premium: $292.43** Per Employee Per Month (composite for Individual and Aggregate coverage)
Policy Period: 1/1/20-12/31/20	

If you have any questions on these policy terms, please contact me at 303-793-2547.

Please sign and return by October 25, 2019.

Sincerely,

Kimberly Squires

Date: 9/20/2019

Kimberly Squires
Senior Account Manager

Customer Name (signed) _____

Customer Name (printed) Jason Gray

Title: Mayor, Town of Castle Rock

Date _____

Stop Loss Insurance Policy

Aetna Life Insurance Company
Hartford, Connecticut 06156

(A Stock Company herein called Aetna)

This Policy will be construed in accordance with the law of the jurisdiction in which it is delivered.

In consideration of premium payments by the Insured in the amounts and at the times provided, Aetna agrees with the Insured to provide insurance in accordance with the Policy terms.

For the purpose of effective dates and termination dates under this Policy, all days begin and end at 12:00 midnight.

This Policy is non-participating.

In Witness Whereof, Aetna Life Insurance Company has signed this Policy at **Hartford, Connecticut**.





Mark T. Bertolini
Chairman, Chief Executive Officer and President

Registrar

Aetna Life Insurance Company
151 Farmington Avenue
Hartford, Connecticut 06156

Section 1. Declarations

STOP LOSS INSURANCE POLICY FOR:

INSURED:
Town of Castle Rock
100 N Wilcox Street
Castle Rock, CO 80104

POLICY NUMBER:
SL–847257

POLICY EFFECTIVE DATE:
January 1, 2016

DATE OF ISSUE:
October 8, 2015

POLICY DELIVERED IN:
Colorado

Section 2. Schedule of Insurance

Individual Stop Loss Specifications:

FIRST POLICY YEAR:	January 1, 2016 through December 31, 2016
PREMIUM RATE:	$219.05 per employee per month Composite rate for both Individual and Aggregate Stop Loss
INDIVIDUAL STOP LOSS AMOUNT:	$60,000
INDIVIDUAL LIFETIME STOP LOSS PAYMENT AMOUNT:	Unlimited
CONTRACT BASIS:	Eligible Claim Expenses incurred between July 1, 2015 through December 31, 2016 and paid between January 1, 2016 through December 31, 2016**.** Run-in Period: 6 months Run-in Limit: $60,000 This amount represents a limit on the total amount of claims per Participant we will consider for the 6 month run-in period. All run-in claims reported to Aetna must be paid pursuant to the plan of benefits in effect during the run-in period and in accordance with Aetna's then current standard claim practices. The Policy will not cover run-in claims for a Participant who is not enrolled in the Aetna administered Plan on the Policy Effective Date unless Aetna is the only claims administrator and/or Stop Loss insurer as of the Policy Effective Date. Run-in claims must be reported to Aetna no later than 6 months after the end of the First Policy Year.
COVERED BENEFITS:	Medical Benefits Prescription Drug Benefits

The information provided in this Schedule of Insurance for each Policy Year after the first shall be indicated in a written notice sent to the Insured and shall be effective on the date stated in such notice.

Section 2. Schedule of Insurance (Continued)

Aggregate Stop Loss Specifications:

FIRST POLICY YEAR:	January 1, 2016 through December 31, 2016
PREMIUM RATE:	$219.05 per employee per month Composite rate for both Individual and Aggregate Stop Loss
AGGREGATE STOP LOSS PERCENTAGE:	125%
AGGREGATE STOP LOSS FACTOR:	$1,180.43
MAXIMUM ANNUAL AGGREGATE STOP LOSS PAYMENT AMOUNT:	Unlimited
CONTRACT BASIS:	Eligible Claim Expenses incurred between July 1, 2015 through December 31, 2016 and paid between January 1, 2016 through December 31, 2016**.** Run-in Period: 6 months Run-in Limit: $711, 937 This amount represents a limit on the total amount of claims per Participant we will consider for the 6 month run-in period. All run-in claims reported to Aetna must be paid pursuant to the plan of benefits in effect during the run-in period and in accordance with Aetna's then current standard claim practices. The Policy will not cover run-in claims for a Participant who is not enrolled in the Aetna administered Plan on the Policy Effective Date unless Aetna is the only claims administrator and/or Stop Loss insurer as of the Policy Effective Date. Run-in claims must be reported to Aetna no later than 6 months after the end of the First Policy Year.
COVERED BENEFITS:	Medical Benefits Prescription Drug Benefits

The information provided in this Schedule of Insurance for each Policy Year after the first shall be indicated in a written notice sent to the Insured and shall be effective on the date stated in such notice.

Section 3. Insuring Agreement

Aetna will reimburse the Insured for Eligible Claim Expenses during a Policy Year, which are in excess of any of the following:

(a) the Aggregate Stop Loss Amount;

(b) the Individual Stop Loss Amount for any one Participant.

Such payments are hereafter called Stop Loss payments.

In no event will Stop Loss payments in any Policy Year for Eligible Claim Expenses in excess of the Aggregate Stop Loss Amount exceed the Maximum Annual Aggregate Stop Loss Payment Amount shown in the Schedule of Insurance.

In no event will Stop Loss payments for all Eligible Claim Expenses with respect to a Participant during his or her lifetime exceed the Individual Lifetime Stop Loss Payment Amount shown in the Schedule of Insurance.

Section 4. Definitions

As used in this Policy:

1. “Aggregate Stop Loss Amount” is the total dollar amount of Eligible Claim Expenses which must be paid by the Insured for all Participants during the Policy Year before Aggregate Stop Loss benefits are payable. It is determined at the end of the Policy Year and is the greater of: (1) the sum of each month’s number of eligible employees reported to Aetna multiplied by the Stop Loss Factor or (2) the Minimum Aggregate Stop Loss Amount. The Aggregate Stop Loss Amount does not include claim payments made during a Policy Year on behalf of a Participant in excess of the Individual Stop Loss Amountset forth in the **Schedule of Insurance** or any amounts reimbursable to the Insured as Individual Stop Loss payments.

2. “Aggregate Stop Loss Factor” is expected claims times the Aggregate Stop Loss Percentage, divided by the expected number of employees at the beginning of the Policy Year, divided by the number of months in the Policy Year.

3. “Aggregate Stop Loss Percentage” means the percentage amount (e.g., 25%) above expected paid claims (e.g., 125%).

4. "Contract" means Master Services Agreement No. MSA-847257, an Agreement between the Insured and Aetna.

5. “Contract Basis” establishes the time period during which Eligible Claim Expenses must be incurred by a Participant through the Plan and the time period during which those expenses must be paid by Aetna or a prior claim administratorin order for those Eligible Claim Expenses to be included in the calculation of benefits under this Policy.

6. “Covered Benefits” are the benefits provided for Participants by the Plan as indicated on the Schedule of Insurance.

7. “Eligible Claim Expenses” are expenses for Covered Benefits that are paid by the Insured pursuant to the Plan and are not excluded under the terms of this Policy. Payment for Eligible Claim Expenses is considered to be paid as of the date the payment instrument is issued by Aetna. Eligible Claim Expenses will include payments made in New York on behalf of the Insured to fund indigent care and graduate medical education when paid directly into the New York state pool.

8. "Employee" means a U.S. based employee of the Insured who is regularly working at least 20 hours per week and for whom the Insured is deducting any required U.S. FICA taxes.

9. “Experimental and Investigational” means a drug, device, procedure, or treatment that Aetna determines is not accepted as standard medical treatment of a condition or illness. Examples of Aetna’s experimental and investigational determinations are found at Aetna.com under Clinical Policy Bulletins.

10. “Individual Lifetime Stop Loss Payment Amount” means the maximum amount of Eligible Claim Expenses funded by Individual Stop Loss under this Policy on any one Participant during his/her lifetime. In the event the Eligible Claim Expenses funded by Individual Stop Loss reach the Individual Lifetime Stop Loss Payment Amount, all subsequent Eligible Claim Expenses for that individual will be funded by the Insured.

11. “Individual Stop Loss Amount” is the dollar amount of Eligible Claim Expenses per Participant that must be paid by the Insured prior to any Individual Stop Loss Benefit becoming payable under this policy.

12. "Insured" is the plan sponsor identified in the Declarations section of the Policy.

13. “Maximum Annual Aggregate Stop Loss Payment Amount” is the limit on the aggregate benefit amount, which will be paid by Aetna for the Policy Year.

14. “Medically Necessary” means a service or supply that is furnished by a provider that Aetna determines is appropriate for the diagnosis, the care or the treatment of a disease or injury. Examples of Aetna’s medically necessary determinations are found at Aetna.com under Clinical Policy Bulletins.

15. “Minimum Aggregate Stop Loss Amount” is the minimum amount of claim liability that must be paid by the Insured before Aggregate Stop Loss benefits may be payable. For any Policy Year, the Aggregate Stop Loss Amount is subject to the Minimum Aggregate Stop Loss Amount. In no event will the Minimum Aggregate Stop Loss Amount be less than 100% of the sum of the products of: (i) the number of employees on the first day of the first Policy Month, times (ii) the Stop Loss Factor times (iii) the number of months in the Policy Year determined by mutual agreement between the Insured and Aetna at the beginning of the Policy Year.

16. "Participant" means an Employee of the Insured, or a dependent of an Employee, on whose behalf Eligible Claim Expenses are payable under the Plan. "Participant" also means an employee or dependent who is entitled to extended benefits under the Plan or who elects COBRA coverage, following termination of eligibility. Employees who qualify for extended benefits under the Plan will include employees who are laid off, on leave of absence, Temporary Disability or Long Term Disability.

17. "Plan" means the self-funded medical benefit plan established by the Insured and described in the Appendix which is attached to the Contract.

18. “Policy” means all of the following:
    (a) The Insured’s Application for Stop Loss Insurance.
    (b) This policy and any riders to it.

19. A "policy month" shall coincide with a calendar month; except that the first policy month shall commence on the Effective Date of this Policy and the last policy month shall end on termination of this Policy.

20. A "policy year" shall coincide with a Plan year under the Plan; except that the first policy year shall commence on the Effective Date of this Policy and the last policy year shall end on termination of this Policy.

Section 5. Exclusions

The following are not included as Eligible Claim Expenses:

1. Expenses paid on the direction of the Insured that Aetna determines are not payable under the Contract in accordance with Aetna's then current standard claim practices established for insured group accident and health insurance plan administered by Aetna. This includes expenses for services or supplies which are not Medically Necessary or expenses for drugs, treatment, services or supplies which are considered Experimental or Investigational.

2. If the Insured has valid and collectible insurance, reinsurance or indemnity or any reimbursement agreements covering a loss also covered by this Policy, the insurance afforded by this Policy shall be in excess of and shall not contribute with such other insurance, reinsurance or indemnity.

3. Expenses incurred by an individual who is not a Participant under the Plan when the expense is incurred.

4. Expenses paid with respect to an employee and his/her dependents who did not enroll in accordance with the terms of the Plan, until such time as they are enrolled in accordance with the terms of the Plan.

5. Expenses that are incurred prior to the Effective Date of this Policy unless otherwise specified in the Schedule of Insurance.

6. Expenses paid with respect to a Participant following termination of coverage under the Contract with respect to a class of employees and their dependents that includes the Participant.

7. Benefits paid for expenses incurred for treatment of an illness or injury for which a Participant is entitled to Benefits under any Workers' Compensation law, occupational disease law or under any other legislation of similar purpose.

8. Expenses paid for Covered Benefits not listed on the Schedule of Insurance.

9. Expenses for taxes, fees and surcharges that may be imposed on the Plan by any government body. This exclusion does not apply to New York Health Care Reform Act surcharges unless they are excess or punitive payments made on behalf of an Insured to fund indigent care and graduate medical education solely as a result of that Insured's decision not to pay directly into the New York state pool.

10. Benefits paid with respect to retired employees and their dependents.

11. Incentive payments, care coordination payments, risk share payments and other non-fee for service payments paid or received in connection with an agreement with an accountable care or similar provider organization.

12. Expenses for any other benefits which the Insured and Aetna mutually agree will not be subject to the Stop Loss insurance.

Section 6. Conditions

Premiums

The first Policy Year's monthly premium rate is shown in Section 2. Schedule of Insurance.

Premium Calculation: An estimated premium will be calculated which will be payable on a monthly basis or any other basis mutually agreed upon by the Insured and Aetna. The estimated premium will be based on the Premium Rate shown in the Schedule of Insurance and the estimated number of employees.

Premium Payments: Aetna will issue a Stop Loss premium invoice for the payment of estimated premium. Within 120 days following the end of each Policy Year, Aetna will prepare and submit to the Insured a financial accounting as to the total actual premium for that Policy Year. The total actual premium will be the sum of the products, for each month of that Policy Year, of:

(a) the Premium Rate, times

(b) the number of employees.

Grace Period: The Insured will pay all estimated premium payments as directed on the invoice, but no later than 31 days after the due date shown on the invoice (the grace period).

Right to Recalculate: Aetna reserves the right to make adjustments in the premium rate or the estimated premium on the first day of any Policy Month, as of the date any of the following events occur:

(a) any change of 10% +/- in the number of employees;
(b) any change in the coverage or types or amounts of benefits offered under the Plan which will change expected cost of coverage;
(c) any change in this Policy;
(d) any addition or deletion of a unit, division, subsidiary, affiliated or associated company from this Policy; and
(e) any other change in factors bearing on the risk assumed (including but not limited to: age, sex, geographic changes, occupations etc.) which Aetna determines change the nature of the risk by more than 10%.

Failure to adjust the Premium Rate or the estimated Premium during a Policy Year will not preclude making an adjustment during any subsequent Policy Year.

If the total actual Premium (determined at the financial accounting) is less than the amount of estimated premiums paid, the difference will be paid to the Insured at the time the accounting is submitted. If the total actual Premium exceeds the amount paid, the difference will be paid to Aetna within 31 days of the date the accounting is furnished to the Insured.

Aggregate Stop Loss Factor

Aetna reserves the right to make adjustments in the Stop Loss Factor as of the date of any change in the Plan or as of the date of any other change in factors bearing on the risk assumed, including but not limited to:

(a) a 10%+/- change in the census estimate used to calculate the Stop Loss Factor;
(b) any change in the coverage or types or amounts of benefits offered under the Plan which will change expected cost for coverage.
(c) any change in this Policy;
(d) any addition or deletion of a unit, division, subsidiary, affiliated or associated company from this Policy; and
(e) any other change in factors bearing on the risk assumed (i.e., age, sex, geographic changes, occupations etc.) which are expected to change the nature of the risk by more than 10%.

Failure to adjust the factor during a Policy Year will not preclude making an adjustment during any subsequent Policy Year.

Modification of Policy

Changes in this Policy may be made by written mutual agreement between Aetna and the Insured.

Optional Policy Renewal

The Policy will renew on the Policy anniversary date, upon the Insured's acceptance of the renewal terms, unless it has otherwise terminated or is subject to termination in accordance with the Termination provisions. Changes to Section 2, Schedule of Insurance, for each Policy Year after the first shall be indicated in a written notice sent to the Insured and shall be effective on the date stated in such notice.

Stop Loss Payments

Aetna will make payment, not later than 120 days after the end of each Policy Year to or on behalf of the Insured of the Stop Loss payment due under the terms of this Policy. The amount of any premiums due but unpaid may be deducted from the Stop Loss payment otherwise payable to the Insured. This right will not prevent the termination, of this Policy, for non-payment of premium under the Termination provisions of this Policy.

Subrogation/Right of Recovery

The Plan is required to include a comprehensive provision for subrogation/reimbursement in its Summary Plan Description and the Plan must pursue enforcement of this provision. Should the Plan fail to pursue any claims or action against a responsible party, then Plan Sponsor agrees that Aetna shall be subrogated to or assigned Plan Sponsor's reimbursement rights and shall assume the Plan's rights to pursue any claims against any and all parties and the Plan will be responsible for any reasonable expenses incurred in the pursuit of such claims, including the fees and costs charged by any contracted subrogation vendor or attorney and any additional legal costs. Aetna has the right to pursue any and all claims covered under this Policy and paid by the Plan and to pursue recovery, in the name of the Plan, of the entire claim, including both the portion of the Plan benefits for which the Plan has been paid under this Policy and the portion of the claim consisting of benefits paid by the Plan but not payable under this Policy.

The Plan must notify Aetna within 30 days of receiving any information that may give rise to the Aetna's subrogation rights. Further, the Plan shall cooperate fully with Aetna and do all things necessary and required for Aetna to pursue any action to recover against a responsible party. The Plan may not take any action, or neglect to take any action, that will prejudice or impair the rights of Aetna to pursue recovery from any other responsible party. The Plan may not, without consent of Aetna, settle or give release for any claim to any other party if doing so would impair or prevent Aetna from exercising its rights of recovery.

Aetna is entitled to recover first, in full, any amount paid by Aetna under this Policy as well as any expenses of collection incurred by Aetna, before the Plan shares in any amount so recovered. Aetna will reduce its recovery amount by a pro rata share to reflect the Net Recovery obtained by the Plan. Net Recovery is the gross amount recovered by the Plan, less such factors as costs incurred by the Plan in obtaining the recovery, comparative fault issues involving the Plan member or factors involving the Plan member's inability to fully recover for their injuries. In the event Aetna recovers an amount greater than its reimbursement, the excess, reduced by the costs to obtain the recovery, will be returned to the Plan. If the Plan recovers any such payment from a responsible party, the recovered amount cannot be used to satisfy any retention requirement, Individual or Aggregate Stop Loss Specifications noted in Section 2. Schedule of Insurance, until Aetna's recovery rights are satisfied.

If the Plan receives a recovery prior to Aetna reimbursing any covered expenses under the Policy, the Plan must deduct the amount of such recovery from any reimbursement request. If the Plan receives a recovery after Aetna has made payment to the Plan for some or all of a particular claim, then the Plan must reimburse Aetna to the full extent of the payment by the Aetna, less a pro rata reduction to reflect the Net Recovery obtained by the Plan. Net Recovery is the gross amount recovered by the Plan, less such factors as costs incurred by the Plan in obtaining the recovery, comparative fault issues involving the Plan member or factors involving the Plan member's inability to fully recover for their injuries. The obligation of the Plan to reimburse Aetna remains, regardless of whether this Policy is still in force on the date of recovery, and such reimbursement to Aetna must occur within 30 days of any recovery by the Plan or Plan Sponsor. The Plan shall account to Aetna for all amounts recovered. These rights and obligations imposed on the Plan and Aetna under this section shall survive termination of the Policy.

Stop Loss Overpayments

If Aetna determines that the Insured has been overpaid due to a claim credit which may be the result of a Coordination of Benefit change, a Subrogation Recovery, Audit and /or billing/payment error, the Insured will promptly refund such overpayment to Aetna. If this Policy terminates, any reimbursements made for claims paid by the Insured after the date of termination will immediately be refunded to Aetna. If the Insured fails to refund any overpayments to Aetna in a timely manner, Aetna reserves the right to obtain such overpayments from future payments due under this Policy.

Termination of Policy

Aetna may terminate this Policy on any Policy anniversary date by providing at least 30 days prior written notice to the Insured. The Insured may terminate this Policy on any premium due date by providing at least 30 days prior written notice to Aetna. The Policy may also be terminated on any date mutually agreed to by Aetna and the Insured.

If the Insured does not comply with any terms and conditions of the Policy, including but not limited to providing required reports or other information reasonably requested by Aetna, Aetna reserves the right to terminate the Policy effective on the date of any such failure.

This Policy shall also terminate automatically upon the occurrence of any of the following:

a. If the Insured fails to pay any premium in full within the Grace Period, this Policy will terminate as of the due date shown on the invoice.
b. If the Contract terminates, this Policy will terminate on the same date and at the same time that the Contract terminates.
c. If the Insured fails to meet the underwriting requirements established by Aetna, including but not limited to the minimum number of 51 Employees, the Policy will terminate as of the first day of the first month following the date the underwriting requirement was not met.
d. If the Insured fails to pay claims under the Plan or make available funds to pay claims as required by the Plan, the Policy will terminate on the first day that the Insured failed to fund benefits.

Reports

The Insured shall furnish Aetna with all information Aetna determines to be necessary to carry out the provisions of the Policy.

Inspection and Audit

Aetna shall be permitted to inspect the Insured's records pertaining to the Contract at any reasonable time during the effectiveness of this Policy and within three years after termination of this Policy, to the extent that they relate to the premium basis or Eligible Claim Expenses under this Policy.

Fraud

This entire Policy will be void if, whether before or after a claim or loss, the Insured has concealed or misrepresented any material fact or circumstance concerning this Policy or the subject of this Policy, including any claim under this Policy, or in any case of fraud by the Insured relating to this Policy.

Incontestability

The validity of this Policy shall not be contested, except for non-payment of premium, after it has been in force for two years from the Policy Effective Date.

Liability and Indemnification

Aetna has neither the right nor the obligation under this Policy to directly pay any Participant or provider of covered services for any benefit the Insured has agreed to provide through the terms of the Plan(s). Aetna's sole liability under this Policy is to the Insured, subject to the terms, conditions, and limitations of this Policy.

Assignment

Assignment of interest under this Policy shall not bind Aetna without its written consent.

Notice of Actions

The Insured agrees to give Aetna prompt notice of any event or development which might result in an action at law or equity related to this Policy and to forward promptly to Aetna copies of any pleadings and reports of investigation that Aetna requests. A copy of any document filed by or against the Insured in any court in connection with such litigation under the Plan must immediately be furnished to Aetna.

The Insured shall pay all attorneys' fees, expenses of experts and investigations, and any damages (including exemplary or punitive damages) payable by Aetna in connection with any litigation in which Aetna shall, without Aetna's fault, become involved through or on account of this Policy or the Plan.

If any time limitation in this Policy is less than that permitted by the law of the state in which the Application was taken, the limitation is hereby extended to agree with the minimum period permitted by the law.

Aetna Life Insurance Company
Application for Stop Loss Insurance

Application is hereby made to Aetna Life Insurance Company, of Hartford, Connecticut (herein called Aetna) for a policy of Stop Loss Insurance, to be issued to the undersigned applicant.

Applicant:
Town of Castle Rock

Address:
100 N Wilcox Street Castle Rock, CO 80104

The form of the policy hereby applied for is that which has been prepared and designated by Aetna as Form No. GR-96476.

Said Policy has been approved, and its terms are hereby accepted by the applicant.

Signed at:	Applicant:
Castle Rock, CO	Town of Castle Rock
Date:	By:
9/21/2015	Sue Morgan, Sue Morgan
Witness:	Official Title:
	HR Manager

Agent(s) of Record:

(If countersignature laws require commission sharing with a duly Licensed Resident Agent in another jurisdiction, the above designation will be modified to the extent required by law.)

Your premium purchases insurance coverage from Aetna, as well as the services of any Aetna-appointed licensed independent agent or broker identified in the Application for Stop Loss Insurance. Aetna has various programs for compensating producers (agents, brokers and consultants). If you would like information regarding compensation programs for which your producer is eligible, payment (if any) which Aetna has made to your producer, or other material relationships your producer may have with Aetna, you may contact your producer or Aetna. Information regarding Aetna's programs for compensating producers is also available at www.aetna.com. We appreciate your business and the opportunity to serve you.

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.