



# STATE OF CONNECTICUT

## INSURANCE DEPARTMENT

### Market Conduct Report

of

### CIGNA Health Management, Inc.

September 26, 2022

From June 17, 2022 through September 19, 2022, the Market Conduct Division of the Connecticut Insurance Department examined the utilization review practices of CIGNA Health Management, Inc. (the Company), using a sample period of August 1, 2020 through December 31, 2020. The examination was limited to Connecticut enrollees.

CIGNA Health Management, Inc. has its home office in the State of Pennsylvania and is licensed as a utilization review entity in the State of Connecticut under license number 200000530. By authority granted under §38a-591 of the Connecticut General Statutes, this examination was conducted by Market Conduct examiners of the State of Connecticut Insurance Department (the Department) at the Department's offices in Hartford, Connecticut.

The purpose of the examination was to evaluate the Company's utilization review practices in the State of Connecticut. From a listing of utilization reviews performed by the Company, the examiners reviewed one hundred eighty-two (182) sample files, which included complaints and approved, denied and appeal certifications during the examination period.

The Department's findings are as follows:

- The examiners verified that four (4) denial determinations were not made within the required fifteen days of the receipt of the request for review, upon the receipt of all information reasonably required to make denial determinations.
- The examiners verified that one (1) Explanation of Benefits failed to provide proper Connecticut external appeal language.
- The examiners verified that in one (1) determination letter not to certify care the criteria was inaccessible based on the instructions provided in the determination letter.
- The examiners verified that one (1) determination not to certify care failed to provide the clinical criteria from the web link to such rule, guideline, protocol or other similar criterion of such health carrier's Internet web site in order to access the clinical criteria online.

It is recommended that the Company review its policies and procedures to ensure that denial determinations are made within the 15 day requirement, the proper Connecticut external appeal language is contained in the Explanation of Benefits, the instructions contained in the determination letter not to certify care lead to the clinical criteria, and the clinical criteria is

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available for review on the of such health carrier's Internet web site in determinations not to certify care, as required by statute.

It is further recommended that the Company modify its denial determination letters to move the paragraph with the Company's other web link directly after the paragraph initially noting the first so as not to create potential confusion. This is specific only to PXDX-15 determination letters.



# STATE OF CONNECTICUT

## INSURANCE DEPARTMENT

-----X  
 IN THE MATTER OF : DOCKET MC 22-67  
 CIGNA Health Management, Inc. :  
 -----X

### STIPULATION AND CONSENT ORDER

It is hereby stipulated and agreed between CIGNA Health Management, Inc. and the State of Connecticut Insurance Department by and through Andrew N. Mais, Insurance Commissioner (“Insurance Commissioner”) to wit:

#### I.

WHEREAS, pursuant to a market conduct examination, the Insurance Commissioner alleges the following with respect to CIGNA Health Management, Inc.:

1. CIGNA Health Management, Inc., hereinafter referred to as Respondent, is domiciled in the State of Pennsylvania and is licensed to transact the business of a utilization review entity in the State of Connecticut under license number 200000530.
2. From June 17, 2022 through September 19, 2022, the Department conducted an examination of Respondent’s utilization review practices in the State of Connecticut covering the period from August 1, 2020 through December 31, 2020.
3. During the period under examination, Respondent failed to establish practices and procedures to ensure compliance in all instances with statutory requirements for:
  - a. notification of a determination not to certify care, admission or procedure within 15 days of the receipt of the request for review, upon the receipt of all information reasonably required to make denial determinations.
  - b. providing proper Connecticut external appeal language.
  - c. providing adequate information in the determination letters for the website to be reviewed.
  - d. providing a reference to access the clinical criteria online.
4. The conduct as described above violates §38a-591b and §38a-591d of the Connecticut General Statutes, and §38a-591-7 of the Regulations of Connecticut State Agencies and constitutes cause for the imposition of a fine or other administrative penalty under §38a-591k of the Connecticut General Statutes.

II

1. WHEREAS, Respondent admits to the allegations contained in paragraphs three and four of Article I of this Stipulation; and
2. WHEREAS, Respondent agrees to review its utilization review practices and procedures identified as concerns during the market conduct examination, as described in the Examination of Utilization Review Practices Report and this Stipulation, and bring them into immediate compliance with Connecticut Statutes; and
3. WHEREAS, Respondent agrees to provide the Insurance Commissioner with a full report of finding and a summary of actions taken to comply with the requirements of paragraph two of this section within ninety (90) days of the date of this document; and
4. WHEREAS, Respondent, being desirous of terminating this proceeding without the necessity of a formal proceeding or further litigation, does consent to the making of this Final Order and voluntarily waives:
  - a. any right to a hearing; and
  - b. any requirement that the Insurance Commissioner's decision contain a statement of findings of fact and conclusion of law; and
  - c. any and all rights to object to or challenge before the Insurance Commissioner or in any judicial proceeding any aspect, provision or requirement of this Stipulation
5. WHEREAS, Respondent agrees to pay a fine in the amount of \$8,500.00 for the violations described herein.

NOW THEREFORE, upon the consent of the parties, it is hereby ordered and adjudged:

1. That the Insurance Commissioner has jurisdiction of the subject matter of this administrative proceeding.
2. That Respondent is fined the sum of Eight Thousand Five Hundred Dollars (\$8,500.00) for the violations herein above described.

CIGNA HEALTH MANAGEMENT, INC.

BY:   
(Representative of Utilization Review Entity)

CERTIFICATION

The undersigned deposes and says that he/she has duly executed this Stipulation and Consent Order on this 20 day of NOVEMBER 2022 for and on behalf of CIGNA Health Management, Inc. that he/she is the CHIEF MEDICAL OFFICER of such company, and he/she has authority to execute and file such instrument.

BY: Scott Joseph

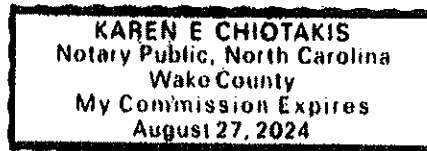
State of North Carolina

County of Wake

Personally appeared on this 20<sup>th</sup> day of November 2022,

Dr. Scott Joseph signer and sealer of the foregoing Stipulation and Consent Order, acknowledged same to be his/her free act and deed before me.

Karen E. Chiotakis  
Notary Public/Commissioner of the Superior Court



*Section Below To Be Completed by State of Connecticut Insurance Department*

Dated at Hartford, Connecticut this 7 day of December 2022.

Andrew N. Mais  
Andrew N. Mais  
Insurance Commissioner