



# STATE OF CONNECTICUT

## INSURANCE DEPARTMENT

### Market Conduct Report

of

**ConnectiCare, Inc.**

**April 24, 2023**

From December 15, 2022 through April 10, 2023, the Market Conduct Division of the Connecticut Insurance Department examined the utilization review practices of ConnectiCare, Inc. (the Company), using a sample period of January 1, 2021 through December 31, 2021. The examination was limited to Connecticut enrollees.

ConnectiCare, Inc. has its home office in the State of Connecticut and is licensed as a utilization review entity in the State of Connecticut under license number 200000270. 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 ninety-four (194) 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 two (2) determination letters not to certify care failed to provide proper Connecticut external appeal language.
- The examiners verified that one (1) complaint file contained an appeal determination letter that did not set forth the specific reason or reasons for the adverse determination.
- The examiners verified that two (2) complaint files contained appeal determinations that were not made within the required 60 days of the receipt of the request for review, upon the receipt of all information reasonably required to make retrospective appeal determinations.
- The examiners verified that five (5) determinations not to certify care were not made within the required 15 days of the receipt of the request for review, upon the receipt of all information reasonably required to make denial determinations.

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Affirmative Action/Equal Employment Opportunity Employer

- The examiners verified that two (2) appeal determinations were not made within the required 30 days of the receipt of the request for review, upon the receipt of all information reasonably required to make appeal determinations.
- The examiners verified that four (4) appeal determinations were not made within the required 60 days of the receipt of the request for review, upon the receipt of all information reasonably required to make retrospective appeal determinations.
- The examiners verified that one (1) appeal determination was not made within the required forty-eight hours after receipt of the request for review or seventy-two hours after such receipt of grievance if any portion of such forty-eight hour periods falls on a weekend, upon the receipt of all information reasonably required to make expedited appeal determinations.

It is recommended that the Company review its policies and procedures to ensure that the proper Connecticut external appeal language is contained in the determination letters not to certify care, having an explanation of denial in a determination letter not to certify care, denial determinations are made within the 15 day requirement, appeal determinations are made within the 30 day requirement, retrospective appeal determinations are made within the 60 day requirement and expedited appeal determinations are made within the 48-hour requirement or seventy-two hours after such receipt of grievance if any portion of such forty-eight hour periods falls on a weekend, as required by statute.



# STATE OF CONNECTICUT

## INSURANCE DEPARTMENT

-----x  
IN THE MATTER OF  
ConnectiCare, Inc. ;  
-----x

DOCKET MC 23-40

### STIPULATION AND CONSENT ORDER

It is hereby stipulated and agreed between ConnectiCare, 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 ConnectiCare, Inc.:

1. ConnectiCare, Inc., hereinafter referred to as Respondent, is domiciled in the State of Connecticut and is licensed to transact the business of a utilization review entity in the State of Connecticut under license number 200000270.
2. From December 15, 2022 through April 10, 2023, the Department conducted an examination of Respondent's utilization review practices in the State of Connecticut covering the period from January 1, 2021 through December 31, 2021.
3. During the period under examination, Respondent failed to establish practices and procedures to ensure compliance in all instances with statutory requirements for:
  - a. providing proper Connecticut external appeal language; in two (2) adverse denial determination letters.
  - b. providing a specific reason or reasons for the adverse determination in one (1) adverse determination letter.
  - c. notification of a determination not to certify coverage for 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 in five (5) initial denial determinations.
  - d. notification of a determination not to certify coverage for care, admission or procedure within 30 days of the receipt of the request for review, upon the receipt of all information reasonably required to make appeal determinations in two (2) appeal determination letters.
  - e. notification of a determination not to certify coverage for care, admission or procedure within 60 days of the receipt of the request for review, upon the receipt of all information reasonably required to make retrospective appeal determinations in six (6) retrospective appeal determination letters.

- f. notification of a determination not to certify coverage for care, admission or procedure within 48 hours of the receipt of the request for review, upon the receipt of all information reasonably required to make expedited appeal determinations in one (1) expedited appeal determination letter.
4. The conduct as described above violates §38a-591b and §38a-591d of the Connecticut General Statutes, and §38a-591-7 and §38a-591-8 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.

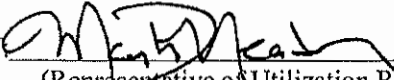
## II

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 and correct those 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 \$14,000.00 for the violations described herein.

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

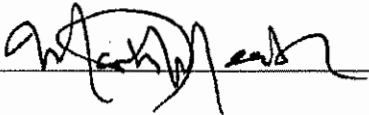
1. That the Insurance Commissioner has jurisdiction of the subject matter of this administrative proceeding.
2. That Respondent is fined the sum of Fourteen Thousand Dollars (\$14,000.00) for the violations herein above described.

CONNECTICARE, INC.

BY:   
(Representative of Utilization Review Entity)

CERTIFICATION

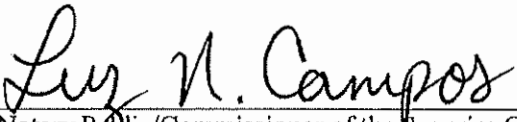
The undersigned deposes and says that he/she has duly executed this Stipulation and Consent Order on this 27<sup>th</sup> day of June 2023 for and on behalf of ConnectiCare, Inc. that he/she is the President of such company, and he/she has authority to execute and file such instrument.

BY: 

State of New York

County of New York

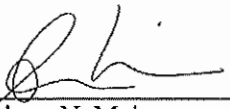
Personally appeared on this 27<sup>th</sup> day of JUNE 2023,  
Mark Meador signer and sealer of the foregoing Stipulation and Consent Order, acknowledged same to be his/her free act and deed before me.

  
Notary Public/Commissioner of the Superior Court

LUZ N. CAMPOS  
NOTARY PUBLIC, State of New York  
No. 01CA6151969  
Qualified in Bronx County  
Commission Expires Aug. 28, 20 26

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

Dated at Hartford, Connecticut this 7th day of August 2023.

  
Andrew N. Mais  
Insurance Commissioner