



FILED

JUL 24 2019

OFFICE OF
INSURANCE REGULATION

Docketed by:

OFFICE OF INSURANCE REGULATION

DAVID ALTMAIER
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 224756-18-CO

CONNECTICUT GENERAL LIFE INSURANCE COMPANY
And CIGNA HEALTHCARE OF FLORIDA, INC.

CONSENT ORDER

THIS CAUSE came on for consideration as the result of an agreement between CONNECTICUT GENERAL LIFE INSURANCE COMPANY (hereinafter referred to as "CONNECTICUT GENERAL"). CIGNA HEALTHCARE OF FLORIDA, INC. (hereinafter referred to as "CIGNA FLORIDA"), and the FLORIDA OFFICE OF INSURANCE REGULATION (hereinafter referred to as the "OFFICE"). The OFFICE, having considered the record in this case and being otherwise fully advised in the premises, finds as follows:

1. The OFFICE has jurisdiction over the subject matter and of the parties herein.
2. CONNECTICUT GENERAL is a life and health insurer authorized to transact life, variable annuities, group life and annuities, variable life, accident and health, and discount medical plan lines of business in Florida pursuant to sections 624.401, 624.404, and 624.413, Florida Statutes.
3. CIGNA FLORIDA is a health maintenance organization authorized to transact business in Florida pursuant to sections 641.21, 641.22, and 641.221, Florida Statutes.
4. After receiving a consumer complaint, the OFFICE conducted an investigation of CONNECTICUT GENERAL and CIGNA FLORIDA pursuant to sections 624.307, 624.318,

626.9561, 641.3901, and 641.3905, Florida Statutes. As a result of the investigation, the OFFICE has determined that:

a. CONNECTICUT GENERAL violated section 627.6675(6)(b), Florida Statutes, by terminating conversion policies for 30 insureds without establishing that the conversion policy, in addition to other benefits that may be available to the insured, results in "overinsurance" based on standards that (1) bear some reasonable relationship to the insured's actual cost of health care, and (2) are filed with the Office prior to use.

b. CIGNA FLORIDA violated section 641.3922(7)(h), Florida Statutes, by terminating conversion policies for 3 insureds without providing notice in writing at least 90 days before the contract renewal date.

5. The OFFICE withdrew its October 20, 2017, approval of CONNECTICUT GENERAL'S form filing #17-19445 by separate Order in Case No. 224811-18, because forms in the filing do not comply with section 627.6675(6)(b), Florida Statutes. This form filing contained CONNECTICUT GENERAL'S Florida Standard Conversion Insurance Medical Expense Plan form (FLICASTDINDEMN6.2017), Florida Standard Conversion Insurance PPO Plan form (FLICASTDPPO6.2017), and a Certificate Rider (R7CEP92) that attached to the Medical Expense Plan form and PPO Plan form. CONNECTICUT GENERAL subsequently amended the aforementioned forms.

6. CONNECTICUT GENERAL signed a previous Consent Order in which CONNECTICUT GENERAL and CIGNA promised to undertake corrective action, and establish and implement procedures to ensure compliance with section 627.6675, Florida Statutes. Consent Order No. 42224-01-CO was docketed on August 29, 2002.

7. The OFFICE finds the conduct of CONNECTICUT GENERAL and CIGNA FLORIDA to be willful, as defined in sections 627.041(7) and 641.21, Florida Statutes, and rules 69O-142.001(g) and 69O-191.300(3)(h), *Florida Administrative Code*. Such conduct justifies up to the maximum stipulated penalty of \$10,000 per violation, with each factually separate occurrence counting as a separate violation, pursuant to rules 69O-142.011(6) and (9), and 69O-191.300(4)(a) and (7)(c), *Florida Administrative Code*.

8. Pursuant to sections 624.418(2)(a) and 641.23, Florida Statutes, the OFFICE may, in its discretion, suspend or revoke the certificate of authority of an insurer if the OFFICE finds that the insurer has violated any lawful order or rule of the OFFICE or commission or any provisions of the Florida Insurance Code. Sections 624.4211 and 640.25, Florida Statutes, allows for an administrative fine in lieu of suspension if the OFFICE finds that one or more grounds exist for the discretionary revocation or suspension of a certificate of authority issued under Chapter 624, Florida Statutes, or Chapter 641, Florida Statutes.

9. CONNECTICUT GENERAL and CIGNA FLORIDA agree that upon the execution of this Consent Order, CONNECTICUT GENERAL and CIGNA FLORIDA shall be subject to the following terms and conditions:

a. Within 30 days of the execution of this Consent Order, CONNECTICUT GENERAL and CIGNA FLORIDA shall collectively pay a penalty of \$30,000 U.S. Dollars and administrative costs of \$10,000 U.S. Dollars. CONNECTICUT GENERAL and CIGNA FLORIDA shall send its payment to the address reflected on the invoice (attached as Exhibit A). CONNECTICUT GENERAL and CIGNA FLORIDA agree that failure to make this payment in full within the specified time period, in accordance with the terms of the attached invoice hereby incorporated by reference, may result in further administrative action.

b. Within 30 days of the execution of this Consent Order, CONNECTICUT GENERAL shall file a set of standards to define "overinsurance" and delineate the processes and procedures CONNECTICUT GENERAL shall use to terminate conversion policies. Once approved by the Office, CONNECTICUT GENERAL shall adopt and implement such standards, so it can demonstrate continuing compliance with section 627.6675, Florida Statutes.

10. CONNECTICUT GENERAL and CIGNA FLORIDA agree that failure to adhere to one or more of the terms and conditions of this Consent Order shall constitute a violation of a lawful order of the OFFICE and may result in the OFFICE revoking, suspending, or taking other action as the OFFICE deems appropriate upon CONNECTICUT GENERAL and/or CIGNA FLORIDA's Certificate of Authority in the state of Florida.

11. CONNECTICUT GENERAL and CIGNA FLORIDA expressly waive a hearing in this matter, as well as the making of findings of fact and conclusions of law by the OFFICE and all further and other proceedings to which the parties may be entitled, either by law or by rules of the OFFICE. CONNECTICUT GENERAL and CIGNA FLORIDA hereby knowingly and voluntarily waive all rights to challenge or to contest this Consent Order, in any forum now or in the future available to them, including the right to any administrative proceeding, state or federal court action, or any appeal.

12. Except as noted above, each party to this action shall bear its own costs and fees.

13. This Consent Order shall be deemed to be executed when the OFFICE has executed a copy of this Consent Order bearing the signatures of CONNECTICUT GENERAL and CIGNA FLORIDA or its authorized representative under the seal of a notary public, notwithstanding the fact that the copy may have been transmitted to the OFFICE electronically. Further,

CONNECTICUT GENERAL and CIGNA FLORIDA agree that their signatures, as affixed to this Consent Order, shall be under the seal of a Notary Public.

WHEREFORE, the agreement between CONNECTICUT GENERAL LIFE INSURANCE, CIGNA HEALTHCARE OF FLORIDA, INC., and the FLORIDA OFFICE OF INSURANCE REGULATION, the terms and conditions of which are set forth above, is APPROVED.

FURTHER, all terms and conditions above are hereby ORDERED.

DONE AND ORDERED this 24 day of July, 2019.



David Altmaier
David Altmaier, Commissioner
Office of Insurance Regulation

By execution hereof, CONNECTICUT GENERAL LIFE INSURANCE COMPANY consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that he or she has the authority to bind CONNECTICUT GENERAL LIFE INSURANCE COMPANY to the terms and conditions of this Consent Order.

CONNECTICUT GENERAL LIFE INSURANCE
COMPANY

By: [Signature]

[Corporate Seal]

Print Name: SCOTT EVELYN

Title: VP, CGLIC

Date: 7/1/19

STATE OF Florida

COUNTY OF Broward

The foregoing instrument was acknowledged before me this 1st day of July, 2019

by Scott Evelyn as officer
(Name of Person) (Type of Authority – e.g. officer, trustee, attorney-in-fact)

for Connecticut General Life Insurance Company
(Company Name)

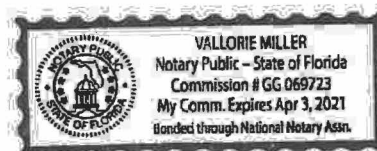
[Signature]
(Signature of the Notary)

Vallorie Miller
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known to me OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires April 3, 2021



By execution hereof, CIGNA HEALTHCARE OF FLORIDA, INC. consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that he or she has the authority to bind CIGNA HEALTHCARE OF FLORIDA, INC. to the terms and conditions of this Consent Order.

CIGNA HEALTHCARE OF FLORIDA, INC.

By: [Signature]

[Corporate Seal]

Print Name: Scott Evelyn

Title: VP, Cigna Healthcare of Florida, Inc.

Date: 7/8/19

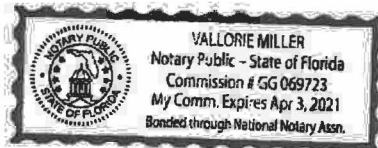
STATE OF Florida
COUNTY OF Broward

The foregoing instrument was acknowledged before me this 8th day of July, 2019
by Scott Evelyn as Officer
(Name of Person) (Type of Authority – e.g. officer, trustee, attorney-in-fact)
for Cigna Healthcare of Florida, Inc.
(Company Name)

[Signature]
(Signature of the Notary)

Vallorie Miller
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known ☒ OR Produced Identification _____
Type of Identification Produced _____
My Commission Expires April 3, 2021



COPIES FURNISHED TO:

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OFFICE OF INSURANCE REGULATION

DAVID ALTMAIER
COMMISSIONER

**FINANCIAL SERVICES
COMMISSION**

RON DESANTIS
GOVERNOR

JIMMY PATRONIS
CHIEF FINANCIAL OFFICER

ASHLEY MOODY
ATTORNEY GENERAL

NICOLE "NIKKI" FRIED
COMMISSIONER OF
AGRICULTURE

INVOICE

In order to ensure that your payment is received and properly credited, please make your check payable to the Florida Department of Financial Services and return this invoice with your payment to:

**Department of Financial Services
Revenue Processing Section
P.O. Box 6100
Tallahassee, Florida 32314-6100**

INVOICE NO: 19-0250

REFERENCE

NAME: Connecticut General Life Insurance Company and
CIGNA Healthcare of Florida, Inc.
ADDRESS: 900 Cottage Grove Road
CITY, STATE, ZIP: Bloomfield, CT 06002
FEID: 06-0303370
59-2089259
NAIC COCODE: 62308
95136
EXAM YR END: 2018
CASE #: 224756-18-CO
ATTORNEY: Rachié A. Glover
SOURCE: Market Investigations

Fine Due: \$ 30,000.00
Costs Due: \$ 10,000.00
Total Amount Due: \$ 40,000.00

Amount Remitted:

OFFICIAL USE ONLY – PLEASE DO NOT MARK BELOW THIS LINE

<u>B/T</u>	<u>T/C</u>	<u>F/T</u>	<u>AMOUNT</u>
C	1105 – MARKET CONDUCT	J	
C	1249- Attorney's fees	J	

EXHIBIT A