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JAN 6 2003

TREASURER AND
INSURANCE COMMISSIONER
Docketed by: JS

THE TREASURER OF THE STATE OF FLORIDA
DEPARTMENT OF INSURANCE

TOM GALLAGHER

IN THE MATTER OF:

CIGNA HEALTHCARE OF FLORIDA, INC.

CASE NO. 63854-02-CO

CONSENT ORDER

THIS CAUSE came on for consideration as the result of an agreement between **CIGNA HEALTHCARE OF FLORIDA, INC.** (hereinafter referred to as "**CIGNA**") and the **FLORIDA DEPARTMENT OF INSURANCE**, (hereinafter referred to as the "**DEPARTMENT**"). Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the undersigned hereby finds as follows:

1. The **DEPARTMENT** has jurisdiction over the subject matter of, and parties to, this proceeding.
2. **CIGNA** is authorized to transact business in this State as a health maintenance organization subject to the jurisdiction and regulation of the **DEPARTMENT** in accordance with the Florida Insurance Code.

3. The **DEPARTMENT** conducted an investigation pursuant to Section 641.3905, Florida Statutes. As a result of such investigation, the **DEPARTMENT** determined that **CIGNA** violated the following provisions of the Insurance Code, to wit:

1. Section 641.3155(2), Florida Statutes (ed. 2001), Failure to Pay Claims Timely.
2. Section 641.3155(4), Florida Statutes (ed. 2001), Failure to Pay or Deny Claims within 120 Days.

4. The violation for failing to pay or deny claims within 120 days is a repeat violation as previously determined and cited in Consent Order Number 60489-02-C0.

5. The **DEPARTMENT** and **CIGNA** expressly waive a hearing in this matter, and the making of Findings of Fact and Conclusions of Law by the **DEPARTMENT** and all further and other proceedings herein to which the parties may be entitled by law. **CIGNA** hereby knowingly and voluntarily waives all rights to challenge or to contest this Order, in any forum now available to it, including the right to any administrative proceeding, circuit or federal court action, or any appeal.

6. **CIGNA** agrees that the failure to adhere to one or more of the above terms and conditions of this Order shall constitute a violation of a lawful order of the **DEPARTMENT**, and shall subject **CIGNA** to such administrative action as the **DEPARTMENT** may deem appropriate.

7. **CIGNA** agrees that upon the execution of this Consent Order it shall be subject to the following terms and conditions:

(a) **CIGNA** shall pay a penalty of Seventy Five Thousand Dollars (\$75,000) and administrative costs of Two Thousand Dollars (\$2,000) no later than thirty (30) days following the issuance of this Consent Order.

(b) **CIGNA** shall henceforth comply with all of the provisions of the Florida Insurance Code.

(c) **CIGNA** is hereby placed on notice of the requirements of the above referenced sections of law and agrees that any future violations of these sections by **CIGNA** may be deemed willful, subjecting **CIGNA** to appropriate penalties.

(d) **CIGNA** shall undertake corrective action to establish and implement procedures to assure that claims are processed timely in accordance with Section 641.3155(3) and (4), Florida Statutes (ed. 2002); and claims are paid or denied within 120 days in accordance with Section 641.3155(3) and (4), Florida Statutes (ed. 2002). **CIGNA** shall submit for the Department's review a revision to its policies and procedures regarding claims payments to implement the aforementioned corrective action no later than thirty (30) days following the issuance of this Consent Order.

8. Except as noted above, each party to this action shall bear its own costs and attorney's fees.

THEREFORE, the agreement between **CIGNA HEALTHCARE OF FLORIDA, INC.** and the **DEPARTMENT**, consisting of the terms and conditions set forth above, is approved.

FURTHER, all terms and conditions above are hereby ORDERED.

DONE AND ORDERED this 7th day of January, 2007³



KEVIN MCCARTY
DEPUTY INSURANCE COMMISSIONER

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, pursuant to Section 624.310, Florida Statutes, that he/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:

Andrew D. Crooks

Corporate Seal

Print or Type Name

Title: President & General Manager

Date: 12/10/02

COPIES FURNISHED TO:

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