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TREASURER AND
INSURANCE COMMISSIONER
Docketed by: JS

THE TREASURER OF THE STATE OF FLORIDA
DEPARTMENT OF INSURANCE

TOM GALLAGHER

IN THE MATTER OF:

CASE NO. 63859-02-CO

HEALTH FIRST HEALTH PLAN, INC.

CONSENT ORDER

THIS CAUSE came on for consideration as the result of an agreement between **HEALTH FIRST HEALTH PLAN, INC.** (hereinafter referred to as "**HEALTH FIRST**") 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. **HEALTH FIRST** 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 **HEALTH FIRST** violated the following provision of the Insurance Code, to wit:

1. Section 641.3155(2), Florida Statutes (ed. 2001), Failure to Pay Claims Timely.

4. While **HEALTH FIRST** does not agree with the findings of the **DEPARTMENT**, in an effort to resolve this matter expeditiously and amicably, without the necessity of a formal administrative action by the **DEPARTMENT**, **HEALTH FIRST** knowingly and voluntarily enters into this Consent Order without admitting any liability in connection with such matters.

5. The **DEPARTMENT** and **HEALTH FIRST** 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. **HEALTH FIRST** 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. By the filing of the Consent Order in this cause, the **DEPARTMENT** and **HEALTH FIRST** intend to and do resolve all issues arising out of actual or alleged violations of Florida Statutes, Rules or Regulations in connection with the submission of claims data by **HEALTH FIRST** and review thereof for the period of April 2002 through June 2002.

7. **HEALTH FIRST** 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 **HEALTH FIRST** to such administrative action as the **DEPARTMENT** may deem appropriate.

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

(a) **HEALTH FIRST** shall pay a penalty of Twenty Five Thousand Dollars (\$25,000) and administrative costs of Two Thousand Dollars (\$2,000) no later than thirty (30) days following the issuance of this Consent Order.

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

(c) **HEALTH FIRST** 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 **HEALTH FIRST** may be deemed willful, subjecting **HEALTH FIRST** to appropriate penalties.

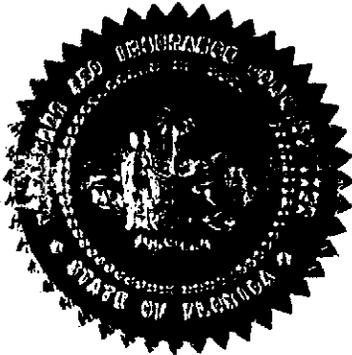
(d) **HEALTH FIRST** shall undertake corrective action to establish and implement procedures to assure that claims are processed timely in accordance with Section 641.3155(3) and (4), Florida Statutes (ed. 2002). **HEALTH FIRST** shall submit for the Department's review a revision to its policies and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

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

THEREFORE, the agreement between **HEALTH FIRST HEALTH PLAN, 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, 2007.



KEVIN MCCARTY
DEPUTY INSURANCE COMMISSIONER

By execution hereof, **HEALTH FIRST HEALTH PLAN, 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 **HEALTH FIRST HEALTH PLAN, INC.** to the terms and conditions of this Consent Order.

HEALTH FIRST HEALTH PLAN, INC.

By: _____
/ JERRY SENNE

Corporate Seal

Print or Type Name

Title: President/CEO

Date: 12/16/02

COPIES FURNISHED TO:

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