

No. **2022-7304**

**Official Order
of the
Texas Commissioner of Insurance**

Date: 04/22/2022

Subject Considered:

United Concordia Dental Plans of Texas, Inc.
4401 Deer Path Rd.
Harrisburg, Pennsylvania 17110-3987

Consent Order
TDI Enforcement File No. 27818

General remarks and official action taken:

This is a consent order with United Concordia Dental Plans of Texas, Inc. (UCDP). The Texas Department of Insurance (TDI) conducted a triennial quality of care examination and found violations, including repeat violations found in a prior exam. UCDP has agreed to pay a \$30,000 administrative penalty.

Waiver

UCDP acknowledges that the Texas Insurance Code and other applicable laws provide certain rights. UCDP waives all these rights, and any other applicable procedural rights, in consideration of the entry of this consent order.

Findings of Fact

1. TDI issued UCDP a single service health maintenance organization (HMO) license, number 5263, effective October 3, 1988.

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Prior Disciplinary Action

2. UCDP paid a \$10,000 administrative penalty under Commissioner Order No. 2016-4576 because it paid over two percent of clean claims late in the third and fourth quarters of 2015.
3. TDI conducted two triennial quality of care examinations of UCDP from January 4, 2009, through May 17, 2012, and from May 17, 2012, through December 31, 2014.
4. TDI issued its official examination reports for the 2009-2012 examination and the 2012-2014 examination on September 14, 2012, and April 5, 2016, respectively.
5. UCDP paid a \$25,000 administrative penalty under Commissioner Order No. 2017-4911, which included violations from these examinations, repeat recredentialing violations, and prompt pay violations.

2019 Triennial Examination

6. TDI conducted another triennial quality of care examination of UCDP for the period beginning January 1, 2017, and ending December 31, 2019.
7. TDI issued the 2019 Triennial Final Examination Report on May 26, 2021.

2019 Examination Findings

8. In 79% (15 of 19) of electronic claims staff reviewed, the company paid electronic claims later than the 30th day after the date the company received the electronic clean claims. In the 2017 examination, 8% (2 of 25) claim files reviewed were in violation.
9. In 63% (12 of 19) of electronic claims staff reviewed, the company paid noninstitutional preferred providers' claims between 30 and 45 days late without paying applicable prompt payment penalties. In the 2017 examination, 4% of claim files reviewed were in violation.
10. In 5% (1 of 19) of electronic claims staff reviewed, the company paid noninstitutional preferred providers' claims between 46 and 90 days late without paying applicable prompt payment penalties.

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11. In 50% (1 of 2) of non-electronic claim files staff reviewed, the company paid non-electronic claims later than the 45th day after the date the company received the non-electronic clean claims from participating providers.
12. In 50% (1 of 2) of non-electronic claims staff reviewed, the company paid noninstitutional preferred providers' claims 91 or more days late without paying applicable prompt payment penalties and the 18% annual interest on the penalty amount to the department.
13. In 67% (2 of 3) of the policies staff reviewed, UCDP's agent/subagent who performed acts in the business of insurance, including soliciting insurance, receiving insurance applications, receiving premium, or binding coverage, was not appointed to act as an agent for UCDP or was not appointed as a subagent to UCDP's agent.
14. UCDP submitted a corrective action plan on June 3, 2021, to address the deficiencies cited in the final examination report issued by TDI.

Conclusions of Law

1. The commissioner has jurisdiction over this matter pursuant to TEX. INS. CODE §§ 31.002, 82.051-82.055, 84.021-84.022, 401.055, 843.156, 843.338, 343.342, 4001.201, and 4001.205; 28 TEX. ADMIN. CODE § 21.2815; and TEX. GOV'T CODE §§ 2001.051-2001.178.
2. The commissioner has authority to informally dispose of this matter as set forth in TEX. GOV'T CODE § 2001.056, TEX. INS. CODE §§ 36.104 and 82.055, and 28 TEX. ADMIN. CODE § 1.47.
3. UCDP has knowingly and voluntarily waived all procedural rights to which it may have been entitled regarding the entry of this order, including, but not limited to, issuance and service of notice of intention to institute disciplinary action, notice of hearing, a public hearing, a proposal for decision, rehearing by the commissioner, and judicial review.
4. UCDP violated TEX. INS. CODE § 843.338 because it paid electronic claims later than the 30th day after the date it received the electronic clean claims.
5. UCDP violated TEX. INS. CODE § 843.342(a) and (m) and 28 TEX. ADMIN. CODE

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- § 21.2815(a)(1) because it paid noninstitutional preferred providers' claims between 30 and 45 days late without paying applicable prompt payment penalties.
6. UCDP violated TEX. INS. CODE § 843.342(b) and (m) and 28 TEX. ADMIN. CODE § 21.2815(a)(2) because it paid a noninstitutional preferred providers' claim between 46 and 90 days late without paying applicable prompt payment penalties.
 7. UCDP violated TEX. INS. CODE § 843.342(c) and (m) and 28 TEX. ADMIN. CODE § 21.2815(a)(3) because it paid a noninstitutional preferred providers' claim 91 or more days late without paying applicable prompt payment penalties and the 18% annual interest on the penalty amount to the department.
 8. UCDP violated TEX. INS. CODE § 4001.201 because its agent who performed acts in the business of insurance, including soliciting insurance, receiving insurance applications, receiving premium, or binding coverage, was not appointed to act as an agent or subagent for UCDP.


Order

It is ordered that United Concordia Dental Plans of Texas, Inc. must pay an administrative penalty of \$30,000 within 30 days from the date of this order. The administrative penalty must be paid as instructed in the invoice, which the department will send after entry of this order.

It is further ordered that United Concordia Dental Plans of Texas, Inc. report to TDI on or before 30 days from the date of this order. The report will affirm United Concordia Dental Plans of Texas, Inc. has fully implemented its post-exam corrective action plan. If United Concordia Dental Plans of Texas, Inc. has not yet fully implemented its post-exam corrective action plan, the report will detail how United Concordia Dental Plans of Texas, Inc. intends to fully implement its corrective action plan, resources dedicated to implementation, timelines, and a process for independent verification of objective progress to comply with Texas law. Subsequent reports with updated information must be made by the first of each month until the department states no further reporting is required. The report must be sent to EnforcementReports@tdi.texas.gov.

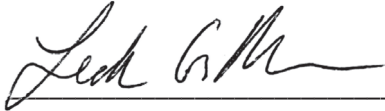
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DocuSigned by:

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Cassie Brown
Commissioner of Insurance

Recommended and reviewed by:



Leah Gillum, Deputy Commissioner
Fraud and Enforcement Division



Patrick Quigley, Staff Attorney
Enforcement Division

Affidavit

STATE OF PENNSYLVANIA §

§

COUNTY OF DAUPHIN §

Before me, the undersigned authority, personally appeared Daniel J. Wright, who being by me duly sworn, deposed as follows:

"My name is Daniel J. Wright. I am of sound mind, capable of making this statement, and have personal knowledge of these facts which are true and correct.

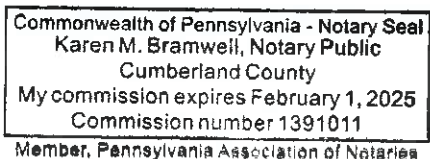
I hold the office of Treasurer and am the authorized representative of United Concordia Dental Plans of Texas, Inc. I am duly authorized by the organization to execute this statement.

Concordia Dental Plans of Texas, Inc. has knowingly and voluntarily entered into the foregoing consent order and agrees with and consents to the issuance and service of the same by the commissioner of insurance of the State of Texas."

[Signature]
Affiant

SWORN TO AND SUBSCRIBED before me on April 12, 2022.

(NOTARY SEAL)



[Signature]
Signature of Notary Public
Karen M. Bramwell
Printed Name of Notary Public