

LAWRENCE G. WASDEN  
Attorney General

A RENÉ MARTIN – I.S.B. No. 3188  
Deputy Attorney General  
Idaho Department of Insurance  
P.O. Box 83720  
Boise, Idaho 83720-0043  
Telephone: (208) 334-4204  
Fax: (208) 334-4298  
[rene.martin@doi.idaho.gov](mailto:rene.martin@doi.idaho.gov)

**FILED** 

**JUL 12 2012**

Department of Insurance  
State of Idaho

*Attorneys for Idaho Department of Insurance*

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE  
OF THE STATE OF IDAHO**

In the Matter of:	)	
	)	Docket No. 18-2764-12
UnitedHealthcare Insurance	)	
Company,	)	
	)	<b>CONSENT ORDER</b>
Idaho Certificate of Authority No. 1010	)	
NAIC Code 79413	)	
_____	)	

COME NOW the State of Idaho, Department of Insurance (Department), by and through its counsel, A. René Martin, Deputy Attorney General, and UnitedHealthcare Insurance Company (UHIC), and hereby stipulate and agree as follows:

1. UHIC is a licensed insurance company in Idaho, holding Idaho Certificate of Authority No. 1010 since November 30, 1972. Such certificate of authority authorizes UHIC to engage in Idaho in the business of life insurance and disability insurance, excluding managed care, and as a small group risk assuming carrier.
2. Rule 18.01.06 of the rules promulgated by the Department pursuant to the Idaho Insurance Code, title 41, Idaho Code, is entitled "Rule to Implement Uniform Coverage for

Newborn and Newly Adopted Children.” Such rule is found in the Idaho Administrative Code at IDAPA 18.01.06. Paragraph 18.10.06.001.02 of the rule provides that such rule “sets forth uniform requirements to be followed by health plans providing coverage to newborn and newly adopted children in accordance with Sections 41-2140, 41-2210, 41-3437, 41-3923, 41-4023 and 41-4123, Idaho Code.”

3. Section 012.01. of Rule 18.01.06 is labeled “Notification and Payment.”

Paragraphs a. and b. of that section provide as follows:

**01. Notification and Payment.**

- a. If notice and payment of additional premium are required for dependent coverage under the health plan contract, the contract may require notice of birth, placement or adoption and payment of required premium as a condition of coverage for newborn and newly adopted children. The notification period shall be not less than sixty (60) days from the date of birth for a newborn child or, for newly adopted children, sixty (60) days from the earlier of the date of adoption or placement for adoption. The due date for payment of any additional premium, if required, shall be not less than thirty-one (31) days following receipt by the health plan member of a billing for the required premium.
- b. All requirements for notice and payment of premium applied by the health plan for the enrollment of newborn or newly adopted children shall be clearly set forth in the health plan contract and provided to the health plan members in a manner reasonably calculated to provide notice to the members of the requirements.

4. UHIC’s policy forms 01.ID.11/01 and 01.ID.11/O1SG filed with the Department include the requirement that insureds under such plans provide notice to UHIC of birth, placement, or adoption. Such forms also include the requirement of payment of additional premium as a condition of coverage for newborn and newly adopted children.

5. However, for the period from July 1, 2009 to March 28, 2012, UHIC’s health policy forms 01.ID.11/01 and 01.ID.11 filed with the Department failed to include notice of the thirty-one (31) day minimum period for payment of additional required premium as a condition of

coverage for newborn and newly adopted children, after the insured health plan members had received billing from UHIC for the additional premium due. Such failure constituted violation of Rule 18.01.01.012.01.a. and –b.

6. UHIC admits to such violations of Rule 18.01.06.012.01.a. and –b., extending over the time period from 2009 to March 28, 2012. Further, UHIC represents that during such time period it issued one hundred forty-nine (149) certificates of coverage and thirty-two (32) group policies in Idaho that were in violation of Rule 18.01.06.012.01.a. as referenced herein.

7. The Department acknowledges that UHIC corrected such violations as of March 28, 2012.

8. On April 19, 2012, UHIC provided to the Department a notarized “Officer Certification” representing that no Idaho dependents covered under its policies were harmed due to its noncompliance with Rule 18.01.06.012.01.a. during the time period from 2009 to March 28, 2012. The Department relies on such representation in entering into this Consent Order.

#### **SANCTION**

9. As a sanction for the violations referenced above, the Department and UHIC agree that UHIC shall pay to the Department an administrative penalty in the amount of five thousand dollars (\$5,000) by no later than June 29, 2012.

10. UHIC agrees that in the future it will comply with all requirements of the Idaho Insurance Code and rules promulgating thereunder, and specifically with all requirements relating to its policies filed with the Department.

11. UHIC acknowledges that this is an administrative action that may be required to be reported on Department licensing applications and license renewal forms.

12. This Consent Order constitutes full and final resolution of all matters addressed herein, and the Department agrees that upon UHIC's execution of this Consent Order and its full compliance with all terms and conditions set forth herein, the Department shall seek no further sanctions for the violations addressed herein.

DATED this 10 day of July, 2012

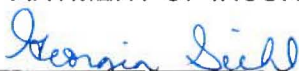
UNITEDHEALTHCARE INSURANCE COMPANY

By: 

Title: Deputy General Counsel + RVP Regulatory

DATED this 12<sup>th</sup> day of July, 2012


STATE OF IDAHO  
DEPARTMENT OF INSURANCE

  
GEORGIA SIEHL  
Bureau Chief, Company Activities

IT IS SO ORDERED.

DATED this 12<sup>th</sup> day of July, 2012

STATE OF IDAHO  
DEPARTMENT OF INSURANCE

By , Dep. Director  
For  
WILLIAM W. DEAL  
Director

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on this 12th day of July, 2012, I caused a true and correct fully-executed copy of the foregoing CONSENT ORDER to be served on the following by the designated means:

UnitedHealthcare Insurance Company  
Attn: Judith D'ambrosio, Director Regulatory Affairs  
5995 Plaza Drive  
CA112-0267  
Cypress, CA 90630

- first class mail
- certified mail
- hand delivery
- via facsimile

A. René Martin  
Deputy Attorney General  
Idaho Department of Insurance  
700 W. State Street, 3<sup>rd</sup> Floor  
P.O. Box 83720  
Boise, ID 83720-0043

- first class mail
- certified mail
- hand delivery
- via facsimile

  
\_\_\_\_\_  
Teresa Jones