

No. 2022-7135

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

Date: 01/03/2022

Subject Considered:

CHRISTUS Health Plan
919 Hidden Ridge
Irving, Texas 75038

Consent Order
TDI Enforcement File No. 24688

General remarks and official action taken:

This is a consent order with CHRISTUS Health Plan (CHRISTUS) for violations found in a triennial quality of care examination performed by the Texas Department of Insurance. CHRISTUS has agreed to pay a \$225,000 administrative penalty.

Waiver

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

Findings of Fact

1. CHRISTUS is a health maintenance organization authorized to operate in Texas.
2. The department conducted a triennial quality of care examination for the period of January 1, 2016, through December 31, 2018.

Prior Examinations

3. The department performed triennial examinations of CHRISTUS in 2013 and 2016.
4. In 2017, Commissioner Order No. 2017-5121 cited CHRISTUS for violations found in the 2016 triennial exam, many of which had been cited in the 2013 exam. CHRISTUS paid an \$85,000 administrative penalty.

Complaint Files and Member Cards

5. The department reviewed 25 complaint files, three of which were made orally.
6. In 100 percent of complaint files reviewed in which the complaint was made orally (3 of 3), CHRISTUS failed to provide to the complainants a one-page complaint form that prominently and clearly states that the form must be returned to the health maintenance organization for prompt resolution of the complaint. CHRISTUS had been cited for this deficiency during the prior triennial examination, but did not implement the corrective action within 90 days after having received that prior examination report.
7. In 40 percent of these complaints (10 of 25), CHRISTUS did not send letters acknowledging receipt of complaints.
8. The enrollee identification cards CHRISTUS provided its members did not display the acronyms "TDI," "DOI," or "QHP." The cards also did not contain the copayment or coinsurance amounts corresponding to the generic and brand-name drug coverages.

Prompt Pay

9. The department reviewed 68 claim files, 18 of which CHRISTUS used a third party administrator.
10. In 100 percent of claims reviewed for which CHRISTUS did not use a third party administrator (50 of 50), CHRISTUS did not track the correct date it received claims from its clearinghouse, and did not track the correct date it paid claims. CHRISTUS identified more than 6,900 claims paid late because of this error;

CHRISTUS provided evidence it paid penalties and interest due for these 6,900 claims.

11. In 40 percent of these claim files (27 of 68), CHRISTUS did not pay penalties after processing claims beyond the prompt-payment period. Providers affiliated with CHRISTUS submitted many claims for which CHRISTUS had not paid prompt-pay penalties. Consequently, the quarterly reports CHRISTUS sent to the department were inaccurate. CHRISTUS provided evidence it has since paid penalties and interest due.
12. In 9 percent of these claim files (6 of 68), CHRISTUS paid electronic claims for emergency services more than 30 days after having received the claims.
13. In 9 percent of these claim files (6 of 68), CHRISTUS paid claims for provider services more than 45 days after having received the claims.

Adverse Determination Files

14. The department reviewed 37 adverse determination files.
15. In 49 percent of these files (18 of 37), CHRISTUS's utilization review agent did not allow providers a reasonable opportunity to discuss the plan of treatment for enrollees before issuing an adverse determination. CHRISTUS had been cited for this deficiency during the prior triennial examination.
16. Of these 37 files, 11 involved prospective and retrospective appeals. In 73 percent of these (8 of 11), CHRISTUS's utilization review agent did not allow providers a reasonable opportunity to discuss the plan of treatment for enrollees prior to issuing an adverse determination. CHRISTUS had been cited for this deficiency during the prior triennial examination.
17. In 33 percent of the adverse determination files (12 of 37), CHRISTUS's utilization review agent did not issue an adverse determination within three calendar days of having received requests for utilization review. CHRISTUS had been cited for this deficiency during the prior triennial examination.
18. In 35 percent of the adverse determination files (13 of 37), CHRISTUS's utilization review agent did not identify the procedures for filing a complaint and appeal

and did not identify the professional specialty of the providers who made the adverse determinations.

Corrective Action

19. CHRISTUS accepted the department's triennial exam report and has provided a corrective action plan. CHRISTUS provided evidence indicating it has corrected the foregoing deficiencies.

Conclusions of Law

1. The commissioner has jurisdiction over this matter pursuant to TEX. INS. CODE §§ 82.051–82.055, 84.021–84.044, and 843.071.
2. The commissioner has the 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. CHRISTUS 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. CHRISTUS violated TEX. INS. CODE § 843.252(b)(2) because it failed to provide to the complainant a one-page complaint form that prominently and clearly states that the form must be returned to the health maintenance organization for prompt resolution of the complaint.
5. CHRISTUS violated 28 TEX. ADMIN. CODE § 11.303(c)(5) because it implemented a corrective action plan more than 90 days after having received the written examination report.
6. CHRISTUS violated TEX. INS. CODE § 843.252(a) because it did not send letters acknowledging receipt of complaints.
7. CHRISTUS violated TEX. INS. CODE §§ 843.209 and 1693.002 because the enrollee identification cards CHRISTUS provided its members did not display the acronyms "TDI," "DOI," or "QHP."

8. CHRISTUS violated TEX. INS. CODE § 1369.153 and 28 TEX. ADMIN. CODE § 21.3003 because the pharmacy benefit cards CHRISTUS provided its members did not contain the copayment or coinsurance amounts corresponding to the generic and brand-name drug coverages and did not display the acronyms "TDI" or "DOI."
9. CHRISTUS violated 28 TEX. ADMIN. CODE §§ 21.2816(e) and 21.2810 because it did not track the correct date it received claims from its clearinghouse and did not track the correct date it paid claims.
10. CHRISTUS violated 28 TEX. ADMIN. CODE § 21.2821 because it reported the incorrect number of clean claims paid after the end of the applicable periods.
11. CHRISTUS violated TEX. INS. CODE §§ 843.346 and 843.351, and 28 TEX. ADMIN. CODE § 21.2807, because it did not pay claims before the end of the applicable prompt-payment periods.
12. CHRISTUS violated TEX. INS. CODE § 843.342 and 28 TEX. ADMIN. CODE § 21.2815 because it did not pay penalties after processing claims beyond the prompt-payment period until identified during the examination.
13. CHRISTUS violated TEX. INS. CODE § 4201.206 and 28 TEX. ADMIN. CODE §§ 19.1710–19.1711 because its utilization review agent did not allow providers a reasonable opportunity to discuss the plan of treatment for enrollees prior to issuing an adverse determination of both prospective and retrospective appeals.
14. CHRISTUS violated TEX. INS. CODE § 843.348(d) because its utilization review agent did not issue an adverse determination within three calendar days of having received requests for utilization review.
15. CHRISTUS violated TEX. INS. CODE § 4201.303 and 28 TEX. ADMIN. CODE § 19.1709 because its utilization review agent did not identify the procedures for filing a complaint and appeal and did not identify the professional specialty of the providers.

Order

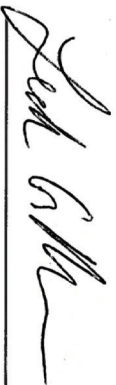
It is ordered that CHRISTUS Health Plan pay an administrative penalty of \$225,000 within 30 days from the date of this order. The administrative penalty must be paid as instructed in the invoice, which the department will send CHRISTUS after entry of this order.

DocuSigned by:

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Cassie Brown
Commissioner of Insurance

Recommended and reviewed by:



Leah Gillum, Deputy Commissioner
Enforcement Division



Casey Seeboth, Staff Attorney
Enforcement Division

Affidavit

STATE OF Texas §
COUNTY OF Dallas §

Before me, the undersigned authority, personally appeared Michael James Spangburg who being by me duly sworn, deposed as follows:

"My name is Michael Shannon Spangburg of sound mind, capable of making this statement, and have personal knowledge of these facts which are true and correct.

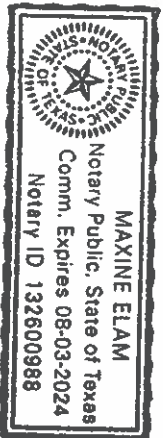
I hold the office of CEO Christus Health Plan and am the authorized representative of CHRISTUS Health Plan. I am duly authorized by said organization to execute this statement.

CHRISTUS Health Plan 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 11/19/2021, 2021.

(NOTARY SEAL)



Maxine Elam
Signature of Notary Public
Maxine Elam
Printed Name of Notary Public