

No. **3792**

**OFFICIAL ORDER  
of the  
TEXAS COMMISSIONER OF INSURANCE**

Date: JAN 26 2015

**Subject Considered:**

**MEDICALL, INC.**  
5000 Executive Parkway, Suite 295  
San Ramon, CA 94583

**CONSENT ORDER**  
TDI ENFORCEMENT FILE NO. 7999

**General remarks and official action taken:**

The commissioner of insurance considers whether disciplinary action should be taken against MediCall, Inc. of San Ramon, CA, which holds a utilization review agent's license issued by the Texas Department of Insurance.

**Waiver**

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

Pursuant to TEX. INS. CODE § 82.055(b), MediCall agrees to this consent order with the express reservation that it does not admit to a violation of any provision of the Insurance Code or rule or regulation of the department and MediCall maintains the existence of any violation is in dispute.

**Findings of Fact**

1. MediCall holds non-resident workers' compensation non-network utilization review agency license no. 1750675, which was issued on April 18, 2008, and expires on April 18, 2016.
2. ESIS, Inc. contracted with MediCall for MediCall to perform utilization reviews on ESIS claims.
3. On January 27, 2014, MediCall issued a non-certification to Millenium Chiropractic's request for six sessions of therapy for injured employee JH.
4. On February 5, 2014, Millenium Chiropractic submitted a reconsideration request to MediCall for the denial.

# 3792

COMMISSIONER'S ORDER  
MediCall, Inc.  
TDI Enforcement File No. 7999  
Page 2 of 3

5. On February 6, 2014, Dr. V. of Millenium Chiropractic contacted MediCall's utilization review unit and "spoke to a utilization review nurse regarding issues on the denial."
6. A MediCall nurse processed and approved the reconsideration request.
7. MediCall nurses are engaging in utilization review by negotiating and approving treatments.
8. While nurses may approve requests, they may not engage in peer review with requesting providers and negotiate treatments.

### Conclusions of Law

1. The commissioner has jurisdiction over this matter pursuant to TEX. INS. CODE §§ 82.051-82.055, 84.021-84.022, 4201.151, 4201.152, 4201.206, and 4201.603; TEX. GOV'T CODE §§ 2001.051-2001.178; and 28 TEX. ADMIN. CODE §§ 19.2006(a), 19.2009(a), and 19.2010.
2. The commissioner has the authority to dispose of this case informally pursuant to the provisions of TEX. GOV'T CODE § 2001.056; TEX. INS. CODE §§ 82.055 and 36.104; and 28 TEX. ADMIN. CODE § 1.47.
3. MediCall violated TEX. INS. CODE § 4201.206 and 28 TEX. ADMIN. CODE § 19.2010, which require a utilization review agent to afford a provider of record a reasonable opportunity to discuss the plan of treatment for the injured employee with a physician, dentist, or chiropractor.

The commissioner orders MediCall, Inc. to pay an administrative penalty of \$7,500. The penalty must be paid in full on or before 30 days from the entry of this Order. The administrative penalty shall be paid by cashier's check or money order made payable to the "State of Texas" and transmitted to the Texas Department of Insurance, Attn: Enforcement Section, Division 40111, MC 9999, P.O. Box 149104, Austin, Texas 78714-9104.

  
\_\_\_\_\_  
David C. Mattax  
Commissioner of Insurance

For the Staff:

  
\_\_\_\_\_  
Jeannie Ricketts, Staff Attorney  
Compliance Division, Enforcement Section

