

No. 2017- 5043

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

Date: APR 24 2017

**Subject Considered:**

**BROADSPIRE SERVICES, INC.**  
1001 Summit Boulevard  
Atlanta, GA 30319

**CONSENT ORDER**  
TDI ENFORCEMENT FILE NO. 12362

**General remarks and official action taken:**

The commissioner of insurance considers whether disciplinary action should be taken against Broadspire Services, Inc. (Broadspire).

**WAIVER**

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

**FINDINGS OF FACT**

1. TDI certified Broadspire as a health utilization review agent, URA 1750659 effective July 28, 2000. Broadspire's certification is current and expires on July 28, 2018.

**Adverse Determination Templates**

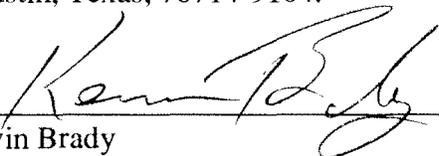
2. On April 25, 2013, Broadspire filed an update application to their URA certification. The initial adverse determination letter submitted by Broadspire was deficient and required revisions. The URA update was accepted on July 17, 2013.
3. In 2014 and 2016, Broadspire submitted renewal applications, including the submission of template letters. The initial adverse determination template letters provided by Broadspire in 2014 and 2016 were not the templates that were approved during the 2013 update.

- 4. TDI sent Broadspire deficiency letters in 2014 and 2016 requesting revisions to the templates. Broadspire's certification was renewed both years.
- 5. In 2016, MCQA selected Broadspire for a utilization review audit of adverse determination letters currently in use. MCQA randomly selected three utilization review case files and requested Broadspire to provide all of the issued initial adverse determination letters in those cases.
- 6. Review of the files revealed that Broadspire was not using the adverse determination templates approved by TDI.
- 7. Broadspire has represented to TDI that the failure to accurately implement the approved letters has been resolved.

**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, and 4201.303; 28 TEX. ADMIN. CODE § 19.1709; and TEX. GOV'T CODE §§ 2001.051-2001.178.
- 2. The commissioner has authority to informally dispose of this matter as set forth under TEX. GOV'T CODE § 2001.056, TEX. INS. CODE §§ 82.055 and 36.104, and 28 TEX. ADMIN. CODE § 1.47.
- 3. Broadspire violated TEX. INS. CODE § 4201.303 and 28 TEX. ADMIN. CODE § 19.1709 by using unapproved adverse determination templates.

The commissioner orders Broadspire Services, Inc. to pay an administrative penalty of \$40,000 within 30 days from the date of this order. The administrative penalty must be paid by company check, cashier's check, or money order made payable to the "State of Texas." Mail the administrative penalty to the Texas Department of Insurance, Attn: Enforcement Section, Division 40111, MC 9999, P.O. Box 149104, Austin, Texas, 78714-9104.

  
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 Kevin Brady  
 Deputy Commissioner for Agency Affairs  
 Texas Department of Insurance  
 Delegation Order 4506

Approved as to Form and Content:

  
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 Bev Rosendahl, Staff Attorney  
 Enforcement Section  
 Texas Department of Insurance

