

No. 2018- 5529

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

Date: MAY 29 2018

Subject Considered:

SCOTT AND WHITE HEALTH PLAN
1206 West Campus Drive
Temple, Texas 76502

CONSENT ORDER
TDI ENFORCEMENT FILE NO. 13312

General remarks and official action taken:

The subject of this order is whether disciplinary action should be taken against Scott and White Health Plan (Scott and White).

WAIVER

Scott and White acknowledges that the Texas Insurance Code and other applicable laws provide certain rights. Scott and White 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), Scott and White 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 Scott and White maintains the existence of any violation is in dispute.

FINDINGS OF FACT

1. TDI issued Scott and White basic service health maintenance organization (HMO) license number 93742, effective October 13, 1981.

2012 and 2014 Triennial Examinations

2. TDI conducted a triennial quality of care examination of Scott and White for the period beginning July 16, 2009, and ending July 11, 2012.
3. TDI conducted another triennial quality of care examination of Scott and White for the period beginning April 12, 2012, and ending December 31, 2014.

4. On February 27, 2017, TDI held an exit conference call with Scott and White to discuss the 2014 examination findings.
5. In Scott and White's 2014 examination, TDI found that Scott and White failed to provide a compliant form regarding the resolution of oral complaints, similar to an issue that TDI previously identified in Scott and White's 2012 examination. Scott and White revised its oral complaint form and submitted a compliant form to TDI on April 17, 2017.
6. In Scott and White's 2014 examination, TDI found that Scott and White failed to provide a reasonable opportunity for a provider to have a peer to peer discussion on treatment prior to an adverse determination being issued. Scott and White revised its procedures, conducted staff training, and implemented a compliant peer to peer discussion process on October 17, 2017.
7. Scott and White failed to correct the deficiencies listed in findings of fact 5 and 6 above, within 90 days from the receipt of its 2012 examination report, in accordance with its 2012 corrective action plan.
8. Scott and White submitted a plan of correction to address the deficiencies cited in the final examination report issued by TDI on April 24, 2017.

CONCLUSIONS OF LAW

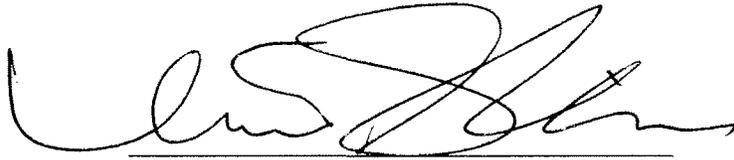
1. The commissioner has jurisdiction over this matter pursuant to TEX. INS. CODE §§ 31.002; 82.051-82.055, 84.021-84.022, 401.055, 843.252, and 4201.206; 28 TEX. ADMIN. CODE §§ 19.1703, 19.1710, and 19.1711; and TEX. GOV'T CODE §§ 2001.051-2001.178.
2. The commissioner has authority to informally dispose 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. Scott and White 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. Scott and White violated TEX. INS. CODE § 843.252(b)(2) because it failed to include a one-page form that prominently and clearly stated the form must be returned for prompt resolution of the complaint when an oral complaint is received.
5. Scott and White violated TEX. INS. CODE § 4201.206 and 28 TEX. ADMIN. CODE §§ 19.1703(b)(26)(A), 19.1703(b)(26)(C), 19.1710, and 19.1711 because it failed to provide a reasonable opportunity for a provider to have a peer to peer discussion on treatment prior to an adverse determination being issued.

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6. Scott and White violated 28 TEX. ADMIN. CODE § 11.303 by failing to correct the deficiencies cited within its plan of correction within 90 days from the receipt of the written examination report.

It is ordered that Scott and White Health Plan pay an administrative penalty of \$90,000 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 60851, MC 9999, P.O. Box 149104, Austin, Texas, 78714-9104.



Kent C. Sullivan
Commissioner of Insurance

Approved as to Form and Content:



Bev Rosendahl
Staff Attorney, Enforcement Section
Texas Department of Insurance

