

No. **2020-6411**

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

**Date:** 07/30/2020

**Subject Considered:**

Cigna Dental Health of Texas, Inc.  
1640 Dallas Parkway  
Plano, Texas 75093

Consent Order  
TDI Enforcement File No. 19802

**General remarks and official action taken:**

This is a consent order with Cigna Dental Health of Texas, Inc. (Cigna Dental). TDI conducted a triennial quality of care examination and found multiple violations, including repeat violations found in a prior exam. Cigna Dental has agreed to pay a \$100,000 administrative penalty.

**Waiver**

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

**Findings of Fact**

1. The Texas Department of Insurance (TDI) issued Cigna Dental a single service health maintenance organization (HMO) license number 5799, effective July 24, 1987.

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## 2014 Triennial Examination

2. TDI conducted a triennial quality of care examination of Cigna Dental for the period beginning January 24, 2012, and ending December 31, 2014.
3. TDI issued the 2014 Triennial Final Examination Report on November 23, 2015.

## 2017 Triennial Examination

4. TDI conducted another triennial quality of care examination of Cigna Dental for the period beginning January 1, 2015, and ending December 31, 2017.
5. On November 12, 2018, TDI held an exit conference call with Cigna Dental to discuss the 2017 examination findings. Sample files reviewed during this examination were dated after the implementation of Cigna Dental corrective action plan from the 2014 examination.
6. TDI issued the 2017 Triennial Final Examination Report on February 4, 2019.

## Recredentialing Files

7. TDI reviewed 17 recredentialing files to determine statutory compliance.
8. In eight instances, Cigna Dental failed to provide evidence that recredentialing was conducted within 36 months of the previous credentialing cycle. This was similar to issues TDI identified in the 2014 examination of Cigna Dental.
9. Upon review of Cigna Dental's provider directory, TDI identified 61 providers who were not recredentialled within 36 months of the previous credentialing cycle. This caused Cigna Dental's online provider directory to be inaccurate.

## Prospective and Retrospective Adverse Determination Files

10. TDI reviewed 25 prospective and retrospective adverse determination files to determine statutory compliance.
11. In seven instances, Cigna Dental failed to provide evidence that the utilization review agent provided the provider of record a reasonable opportunity to discuss

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the plan of treatment for the enrollee prior to issuing the adverse determination. This was similar to issues TDI identified in the 2014 examination of Cigna Dental.

### Retrospective Appeal Adverse Determination Files

12. TDI reviewed six retrospective appeal adverse determination files to determine statutory compliance.
13. In five instances, Cigna Dental failed to provide evidence that the utilization review agent provided the provider of record a reasonable opportunity to discuss the plan of treatment of the enrollee prior to issuing the adverse determination. This was similar to issues TDI identified in the 2014 examination of Cigna Dental.
14. In four instances, the utilization review agent failed to provide evidence that it sent an acknowledgement letter within five working days after receipt of the appeal.
15. In six instances, the utilization review agent failed to provide evidence that it included a list of the relevant documents the appealing party is required to submit for review.
16. In five instances, the utilization review agent failed to provide evidence that the appeal resolution letter included the appealing party's right to seek review of the adverse determination by an independent review organization, notice of the independent review process, or a copy of the independent review organization form. This was similar to issues TDI identified in the 2014 examination of Cigna Dental.
17. Cigna Dental processed two adverse determination files as complaints. Cigna Dental did not give the patient rights under the utilization review process.

### Corrective Action Plan

17. Cigna Dental submitted a corrective action plan to address the deficiencies cited in the final examination report issued by TDI on April 5, 2019.

### **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, 843.2015, 1451.505, 4201.206,

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- 4201.355, and 4201.359; 28 TEX. ADMIN. CODE §§ 11.1902, 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 in TEX. GOV'T CODE § 2001.056; TEX. INS. CODE §§ 36.104 and 82.055; and 28 TEX. ADMIN. CODE § 1.47.
  3. Cigna Dental 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. Cigna Dental violated 28 TEX. ADMIN. CODE § 11.1902 because it failed to provide evidence that recredentialing was conducted within 36 months of the previous credentialing cycle.
  5. Cigna Dental violated TEX. INS. CODE §§ 843.2015 and 1451.505(d) because it did not properly recredential providers and therefore the online provider directory was inaccurate.
  6. Cigna Dental violated TEX. INS. CODE § 4201.206 and 28 TEX. ADMIN. CODE §§ 19.1703(b)(26) and 19.1711 because it failed to provide evidence that the utilization review agent provided the provider of record a reasonable opportunity to discuss the plan of treatment for the enrollee prior to issuing the adverse determination.
  7. Cigna Dental violated TEX. INS. CODE §4201.355(a) and (b)(2) and 28 TEX. ADMIN. CODE § 19.1711(a)(3) because it failed to provide evidence that its utilization review agent sent an acknowledgement letter within five working days after receipt of the appeal and failed to include a list of the relevant documents the appealing party is required to submit for review.
  8. Cigna Dental violated TEX. INS. CODE §4201.355(a) and (b)(2) and 28 TEX. ADMIN. CODE § 19.1711(a)(3) because the utilization review agent failed to provide evidence that the appeal resolution letter included the appealing party's right to seek review of the adverse determination by an independent review organization, notice of the independent review process, or a copy of the independent review organization form.

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9. Cigna Dental violated TEX. INS. CODE Ch. 4201 and 28 TEX. ADMIN. CODE CH. 19, Subchapter R because it processed two adverse determination files as complaints and did not give the patient rights under the utilization review process.

## Order

It is ordered that Cigna Dental Health of Texas, Inc. must pay an administrative penalty of \$100,000 within 30 days from the date of this order. The penalty must be paid by company check, cashier's check, or money order made payable to the "State of Texas" and sent to the Texas Department of Insurance, Attn: Enforcement, Division 60851, MC 9999, P.O. Box 149104, Austin, Texas, 78714-9104.

It is also ordered that Cigna Dental Health of Texas, Inc. report to TDI on or before 30 days from the date of this order. The report will affirm that Cigna Dental Health of Texas, Inc. has fully implemented its post-exam corrective action plan. If Cigna Dental Health of Texas, Inc. has not yet fully implemented its post-exam corrective action plan, the report will detail how Cigna Dental Health of Texas, Inc. intends to fully implement its corrective action plan, resources dedicated to implementation, timelines, and a process for independent verification of objective progress to comply with Texas law. The report must be sent to [EnforcementReports@tdi.texas.gov](mailto:EnforcementReports@tdi.texas.gov).

DocuSigned by:  
  
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Kent C. Sullivan  
Commissioner of Insurance

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Recommended and reviewed by:



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Leah Gillum, Deputy Commissioner  
Enforcement Division



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Bev Rosendahl, Special Counsel  
Enforcement Division

**Affidavit**

STATE OF Texas §  
§  
COUNTY OF Collin §

Before me, the undersigned authority, personally appeared Ralph Holmes, who being by me duly sworn, deposed as follows:

"My name is Ralph Holmes. I am 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 President CIGNA TEXAS, and am the authorized representative of Cigna Dental Health of Texas, Inc. and I am duly authorized by said organization to execute this statement.

Cigna Dental Health of Texas, Inc. 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 June 25, 2020.

(NOTARY SEAL)



Shirley Folmar Jones  
Signature of Notary Public

Shirley Folmar Jones  
Printed Name of Notary Public