

No. **2025-9238**

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

Date: 4/2/2025

Subject Considered:

CHRISTUS Health Plan
5101 N O Connor Blvd
Irving, Texas 75039

Consent Order
TDI Enforcement File No. 32323

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. CHRISTUS' examination found repeat and additional violations. CHRISTUS has agreed to pay a \$290,000 administrative penalty.

Waiver

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

Findings of Fact

Licensure and Background

1. CHRISTUS holds a basic service health maintenance organization certificate of authority, issued by the Texas Department of Insurance on November 10, 2011.

2025-9238

Commissioner's Order

CHRISTUS Health Plan

Page 2 of 10

2. This triennial quality of care examination covers activity between January 1, 2019, and December 31, 2021, on CHRISTUS' Health Maintenance Organization marketplace exchange line of business.
3. CHRISTUS contracted services with the following companies:
 - a. Third-party administrators to process and adjudicate claims:
 - i. Dentegra Insurance Company (Dentegra), effective on or about July 10, 1979;
 - ii. ExpressScripts, Inc., effective on or about May 23, 2003; and
 - iii. Superior Vision Insurance Company, effective on or about January 23, 2013.
 - b. To perform prospective, concurrent, and retrospective utilization review, CHRISTUS contracted with ExpressScripts, Inc., effective on or about May 23, 2023.
 - c. Provider Networks:
 - i. Dentegra, effective on or about January 1, 2005;
 - ii. ExpressScripts, Inc., effective on or about January 1, 2015; and
 - iii. Block Vision (Superior Vision), effective on or about January 1, 2015.

Previous Examinations

2013 Triennial Quality of Care Examination

4. The department conducted a triennial quality of care examination of CHRISTUS for the period beginning November 10, 2011, and ending March 1, 2013.

2015 Triennial Quality of Care Examination

5. The department conducted a triennial quality of care examination of CHRISTUS for the period beginning March 1, 2013, and ending December 31, 2015.
6. Commissioner Order No. 2017-5121, dated June 23, 2017, addressed multiple violations from these two examinations and imposed an administrative penalty of \$85,000.

2018 Triennial Quality of Care Examination

7. The department conducted a triennial quality of care examination of CHRISTUS for the period beginning January 1, 2016, and ending December 31, 2018.
8. Commissioner Order No. 2022-7135, dated January 3, 2022, addressed multiple violations discovered during this examination and imposed an administrative penalty of \$225,000.

Utilization Review

9. The department reviewed 8,904 utilization review requests to determine statutory compliance.
10. In 3% (260 of 8,904) of the requests, the notice of determination was sent later than the second working day after the date of the request.

Initial Adverse Determinations

11. The department reviewed a sample of 26 initial adverse determinations to determine statutory compliance.
12. In 12% (3 of 26) of initial adverse determinations reviewed, CHRISTUS issued the adverse determination without affording the provider of record a reasonable opportunity to discuss treatment. In CHRISTUS' previous 2018 triennial examination, similar violations were found: 49% (18 of 37) of the initial adverse determinations reviewed were in violation.
13. In 4% (1 of 26) of initial adverse determinations reviewed, CHRISTUS issued the prospective adverse determination later than three calendar days from receipt of the request. In CHRISTUS' previous 2018 examination, similar violations were found: 32% (12 of 37) of the initial adverse determinations reviewed were in violation.
14. In 4% (1 of 26) of initial adverse determinations reviewed, CHRISTUS failed to include on the adverse determination letter the professional specialty of the physician, doctor, or other health care provider that made the adverse determination. In CHRISTUS' previous 2018 examination, similar violations were

2025-9238

Commissioner's Order

CHRISTUS Health Plan

Page 4 of 10

found: 35% (13 of 37) of the initial adverse determinations reviewed were in violation.

Sample Claims Review

15. The department reviewed a sample of 65 claims to determine statutory compliance. Of the 65 claims reviewed, five were paid late.
16. In 20% (1 of 5) of the late paid claims, CHRISTUS did not pay penalties on non-institutional preferred providers' claims that were paid within 30 to 45 days of receipt of the clean claim. In CHRISTUS' previous 2018 examination, similar violations were found: 83% (20 of 24) of the late paid claims were in violation.
17. In 20% (1 of 5) of the late paid claims, CHRISTUS did not pay penalties on non-institutional preferred providers' claims that were paid within 46 to 90 days of receipt of the clean claim. In CHRISTUS' previous 2018 examination, similar violations were found: 4% (1 of 24) of the late paid claims were in violation.
18. In 60% (3 of 5) of the late paid claims, CHRISTUS did not pay penalties, including an 18% annual interest penalty to the department, on non-institutional preferred providers' claims that were paid on or after 91 days of receipt of the clean claim. In CHRISTUS' previous 2018 examination, similar violations were found: 12% (3 of 24) of the late paid claims were in violation.
19. On January 12, 2023, the department was provided a claims impact report containing 1,413 claims with unpaid penalties totaling \$578,520.49 (\$536,409.06 to noninstitutional providers and \$42,111.43 to the department for institutional providers) and unpaid interest totaling \$27,935.88 (\$24,426.38 for noninstitutional providers and \$3,509.49 to institutional providers).
 - a. On February 22, 2022, CHRISTUS paid \$66,537.81 in penalties and interest to the department.
 - b. On March 1, 2023, CHRISTUS paid \$507,919.72 in penalties and \$1,246.26 in interest to providers.
 - c. On August 17, 2023, CHRISTUS paid \$28,489.34 in penalties and \$2,263.22 in interest to providers.

2025-9238

Commissioner's Order

CHRISTUS Health Plan

Page 5 of 10

Initial Complaints

20. The department reviewed a sample of 29 initial complaints to determine statutory compliance.
21. In 14% (4 of 29) of the initial complaints reviewed, CHRISTUS did not send an acknowledgment letter to the complainant. In CHRISTUS' previous 2018 examination, similar violations were found: 40% (10 of 25) of the initial complaints were in violation.
22. In 17% (5 of 29) of the initial complaints reviewed, CHRISTUS did not send an acknowledgment letter within five business days after the complaint was received. In CHRISTUS' previous 2018 examination, similar violations were found: 8% (2 of 25) of the initial complaints were in violation.
23. In 7% (2 of 29) of the initial complaints reviewed, CHRISTUS did not issue a response letter to the complainant within 30 calendar days.
24. In 38% (11 of 29) of the initial complaints reviewed, CHRISTUS did not resolve the complaint within 30 calendar days after receiving the written complaint or one-page complaint form.
25. In 14% (4 of 29) of the initial complaints reviewed, CHRISTUS' complaint response letter did not explain the resolution of the complaint, including the specific medical and contractual reason for the resolution.
26. In 28% (8 of 29) of the initial complaints reviewed, CHRISTUS' complaint resolution letter did not provide a description of member appeal rights.
27. In 55% (16 of 29) of the complaints reviewed, CHRISTUS failed to include all required notice elements in the adverse determination letters sent to the member.

Provider Directories

28. The department reviewed CHRISTUS' health care provider lists and directories to determine statutory compliance.

2025-9238

Commissioner's Order

CHRISTUS Health Plan

Page 6 of 10

29. In 54% (527 of 984) of directory update submissions reviewed, CHRISTUS did not correct its directory by the seventh day after the date the report, notice, or complaint was received.
30. CHRISTUS did not send notice to its enrollees at least annually describing how the enrollees may access a current list of all network providers on a cost-free basis.

Conclusions of Law

1. The commissioner has jurisdiction over this matter under TEX. INS. CODE Chs. 38, 82, 84, 542, 843, 1451, 1456, 4001, and 4201, and 28 TEX. ADMIN. CODE Chs. 11, 19, and 21.
2. The commissioner has the authority to dispose informally 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 28 TEX. ADMIN. CODE § 11.1612(d) by failing to provide notice to all enrollees at least annually describing how the enrollee may access a current listing of all network physicians and providers on a cost-free basis.
5. CHRISTUS violated 28 TEX. ADMIN. CODE § 19.1709(c) by failing to include each required notice element in its adverse determination letters.
6. CHRISTUS violated 28 TEX. ADMIN. CODE § 19.1709(c)(4) by failing to include in the written notice of adverse determination, the professional specialty of the physician, doctor, or other health care provider that made the adverse determination.
7. CHRISTUS violated TEX. INS. CODE § 843.252(a) by failing to send, sending late, or including incorrect information in the complaint acknowledgment letter.

2025-9238

Commissioner's Order

CHRISTUS Health Plan

Page 7 of 10

8. CHRISTUS violated TEX. INS. CODE § 843.252(c) by failing to acknowledge, investigate, and resolve a complaint not later than the 30th calendar day after the date a written complaint or one-page form is received.
9. CHRISTUS violated TEX. INS. CODE § 843.253(b) by failing to issue a response letter to the complainant within 30 calendar days.
10. CHRISTUS violated TEX. INS. CODE § 843.253(b)(1) and (b)(2) by failing to include in the response letter an explanation of the resolution and the medical and contractual reasons for the resolution.
11. CHRISTUS violated TEX. INS. CODE § 843.254 by failing to provide the appeals process to a complainant who was not satisfied with the resolution of the complaint.
12. CHRISTUS violated TEX. INS. CODE § 843.348(d) and 28 TEX. ADMIN. CODE § 19.1718(d)(1) by failing to issue the determination not later than the third calendar day after the date the request was received.
13. CHRISTUS violated TEX. INS. CODE § 1451.505(e) by failing to correct its network provider directory information not later than the seventh day after the date the report was received.
14. CHRISTUS violated TEX. INS. CODE Chapter 4201 by sending an incomplete adverse determination letter without submitting the request through the proper utilization review process.
15. CHRISTUS violated TEX. INS. CODE § 4201.206 and 28 TEX. ADMIN. CODE §§ 19.1703(b)(26)(A) and 19.1710 by failing to afford the provider who ordered, requested, provided, or is to provide the service a reasonable opportunity to discuss treatment no less than one working day prior to issuing the adverse determination.
16. CHRISTUS violated TEX. INS. CODE § 4201.302 by mailing or otherwise transmitting the required notice later than the second working day after the date of the request for utilization review and the agent receives all the information necessary to complete the review.

2025-9238

Commissioner's Order

CHRISTUS Health Plan

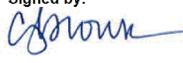
Page 8 of 10

Order

It is ordered that CHRISTUS Health Plan pay an administrative penalty of \$290,000 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 after entry of this order.

It is also ordered that CHRISTUS Health Plan report to the department on or before 30 days from the date of this order. The report will affirm that CHRISTUS has fully implemented its post-exam corrective action plan. If CHRISTUS has not yet fully implemented its post-exam corrective action plan, the report will detail how the company intends to fully implement its plan, resources dedicated to implementation, timelines, and a process for independent verification of objective progress to comply with Texas law. CHRISTUS must send the report to EnforcementReports@tdi.texas.gov.

It is further ordered that CHRISTUS Health Plan must contract with a third party, at its expense, to perform an independent audit of its claims handling software, systems, and practices to verify and confirm compliance with Texas prompt pay reporting and the Texas Insurance Code. The audit must include a review of each prompt pay report submitted to the department for 2022 and 2023. The auditor must be approved by the department and be secured within 30 days from the date of this order. The auditor's report and any necessary corrective action plan must be submitted to the department no later than 180 days from the date of this order. The corrective action plan must take no more than 90 days to implement, from the date the corrective action plan is submitted to the department. To the extent the audit uncovers any inaccuracies, CHRISTUS must amend each prompt pay report to rectify any identified inaccuracies no later than 270 days from the date of this order.

Signed by:

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Cassie Brown
Commissioner of Insurance

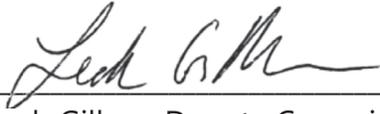
2025-9238

Commissioner's Order

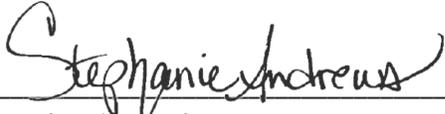
CHRISTUS Health Plan

Page 9 of 10

Recommended and reviewed by:



Leah Gillum, Deputy Commissioner
Fraud and Enforcement Division



Stephanie Andrews
Enforcement

Affidavit

STATE OF Texas §

COUNTY OF Dallas §

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

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

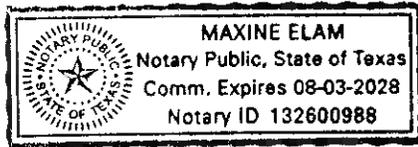
I hold the office of CEO - CHRISTUS Health Plan and am the authorized representative of CHRISTUS Health Plan. I am duly authorized by said organization to execute this statement.

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 March 17, 2025.

(NOTARY SEAL)



[Signature]
Signature of Notary Public

Maxine Elam
Printed Name of Notary Public