

No. 2025-9404

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

Date: 7/10/2025

Subject Considered:

UnitedHealthcare Insurance Company
[REDACTED]
Hartford, CT 06103

Consent Order
TDI Enforcement File No. 34819

General remarks and official action taken:

This is a consent order with UnitedHealthcare Insurance Company (UHIC) for violations found during a quality of care examination conducted by the Texas Department of Insurance. UHIC's examination revealed repeat and additional violations. UHIC has agreed to pay an administrative penalty of \$125,000.

Waiver

UHIC acknowledges that the Texas Insurance Code and other applicable law provide certain rights. UHIC 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 Examination

1. UHIC holds a certificate of authority originally issued by the department on November 6, 1972, to act as a life, accident, or health insurer in Texas.

2025-9404

Commissioner's Order

UnitedHealthcare Insurance Company

Page 2 of 7

2. The department conducted a targeted quality of care examination on UHIC's claims and complaints which covered activity between June 1, 2020, through July 1, 2022.

Claims Handling

3. The department sampled 68 claims including in-network and out-of-network claims, emergency services, and requests for additional information to determine compliance with applicable statutes, rules, and regulations.
4. In 19% (9 of 48) of out-of-network claims reviewed, UHIC either did not provide the balance billing prohibition notification in the explanation of benefits, or UHIC sent incorrect balance billing prohibition language.
5. In 4% (2 of 48) of out-of-network claims reviewed, UHIC did not pay a facility-based provider directly.
6. In 6% (1 of 15) of out-of-network emergency claims reviewed, UHIC did not pay a provider of emergency care services within 45 days after the date it received the claim.
7. In 10% (5 of 48) of out-of-network claims reviewed, UHIC misrepresented pertinent facts to claimants by listing incorrect members' responsibilities on out-of-network emergency claims, and stating that the members may be responsible for any difference between what the facilities or providers billed and what was paid.
8. In 5% (1 of 20) of in-network claims reviewed, UHIC sent a broad request for additional information that was not specific and did not relate specifically to the claim or the claim's related episode of care.

Complaints Processing

9. The department sampled 54 complaints including in-network provider complaints, in-network and out-of-network emergency claims, claims subject to balance billing prohibition, and claims subject to UHIC's prepayment review process to determine compliance with applicable statutes, rules, and regulations.
10. In 28% (15 of 54) of complaints reviewed, UHIC did not process claims requiring additional information by the 15th day after UHIC received the requested information, or the latest date for determining the claims were payable.

2025-9404

Commissioner's Order

UnitedHealthcare Insurance Company

Page 3 of 7

11. In 31% (17 of 54) of complaints reviewed, UHIC failed to effect a prompt, fair, and equitable settlement of a claim submitted in which liability had become reasonably clear.
12. In 20% (11 of 54) of complaints reviewed, UHIC sent broad requests for additional information that were not specific and did not relate specifically to the claims or the claim's related episode of care.
13. In 6% (3 of 54) of complaints reviewed, UHIC provided an explanation of benefits to its members and providers with incorrect balance billing prohibition language. However, prior to the commencement of the exam, UHIC represents that it voluntarily issued revised explanations of benefits containing the correct balance billing prohibition language for 100% (3 of 3) of the claims identified.
14. In 4% (2 of 54) of complaints reviewed, UHIC did not process out-of-network emergency claims in accordance with prompt payment requirements.
15. In 6% (3 of 54) of complaints reviewed, UHIC did not pay out-of-network providers of emergency care services within 30 days after the date the claims were received.
16. In one complaint reviewed, UHIC failed to pay 50% of the penalty, including interest, to the institutional provider and the remaining 50% of that amount to the department
17. In 4% (2 of 54) of complaints reviewed, UHIC failed to effect a prompt, fair, and equitable settlement of a claim submitted in which liability had become reasonably clear.
18. In 2% (1 of 54) complaints reviewed, UHIC misrepresented pertinent information by providing an explanation of benefits which listed an in-network claim as an out-of-network claim and incorrect balance billing prohibition language. However, prior to the commencement of the exam, UHIC represents that it voluntarily issued revised explanations of benefits containing the correct balance billing prohibition language and correctly identifying the claim as in-network for 100% (1 of 1) of the claims identified.

Conclusions of Law

1. The commissioner has jurisdiction over this matter under TEX. INS. CODE chs. 82, 84, 542, 801; 1301; 28 TEX. ADMIN. CODE chs. 3 and 21; and TEX. GOV'T CODE §§ 2001.051-2001.178.
2. The commissioner has the authority to informally dispose of this matter as set forth in TEX. GOV'T CODE § 2001.056, and TEX. INS. CODE §§ 36.104 and 82.055.
3. UHIC 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. UHIC violated TEX. INS. CODE § 542.003(b)(1) and 28 TEX. ADMIN. CODE § 21.203(1) by engaging in unfair claim settlement practices when it knowingly misrepresented pertinent facts or policy provisions to claimants.
5. UHIC violated TEX. INS. CODE § 542.003(b)(1) and 28 TEX. ADMIN. CODE §§ 21.203(1) and (9) by engaging in unfair claim settlement practices when it knowingly misrepresented pertinent facts or policy provisions to a claimant by failing to promptly provide to a policyholder a reasonable explanation of the basis in the insurance policy in relation to the facts or applicable law for denial of a claim or for the offer of a compromise settlement.
6. UHIC violated TEX. INS. CODE §§ 542.003(b)(4) and (7) and 28 TEX. ADMIN. CODE § 21.203(4) by engaging in unfair claim settlement practices when it did not attempt in good faith to effect a prompt, fair, and equitable settlement of claims submitted in which liability had become reasonably clear.
7. UHIC violated TEX. INS. CODE § 1301.010 when it failed to provide the balance billing prohibition notice to its members and providers in the explanation of benefits.
8. UHIC violated TEX. INS. CODE § 1301.069 and 28 TEX. ADMIN. CODE § 21.2823 when it failed to adhere to prompt payment requirements for out-of-network emergency claims.

2025-9404

Commissioner's Order

UnitedHealthcare Insurance Company

Page 5 of 7

9. UHIC violated TEX. INS. CODE § 1301.1054(a) and 28 TEX. ADMIN. CODE § 21.2804(a) and (b)(1-5) when it sent requests for additional information to providers which did not describe with specificity the information requested and did not relate to the claims or the claims' related episode of care.
10. UHIC violated TEX. INS. CODE § 1301.1054(b) and 28 TEX. ADMIN. CODE § 21.2804(c) when it failed to make a determination of whether claims, for which additional information was requested and provided, were payable by the 15th day after receipt of the requested information.
11. UHIC violated TEX. INS. CODE §§ 1301.137(c) and (l) and 28 TEX. ADMIN. CODE § 21.2815(a)(6) when it failed to remit the required penalty payment plus interest when it paid a claim on or after the 91st day after the date it was required to make a determination of the claim.
12. UHIC violated TEX. INS. CODE §§ 1301.155(c)(1) and 1301.0053(a)(1) when it failed to pay out-of-network emergency care providers not later than the 30th day after the date it received the electronic clean claims.
13. UHIC violated TEX. INS. CODE §§ 1301.155(c)(2) and 1301.0053(a)(2) when it failed to pay an out-of-network emergency care provider not later than the 45th day after receipt of the nonelectronic clean claim.
14. UHIC violated TEX. INS. CODE § 1301.164(b)(1) when it failed to pay for a covered service performed by a facility-based provider not later than the 30th day after receipt of the electronic clean claim.

Order

It is ordered that UnitedHealthcare Insurance Company pay an administrative penalty of \$125,000 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.

Signed by:

FC5D7EDDFB4F8

Cassie Brown
Commissioner of Insurance

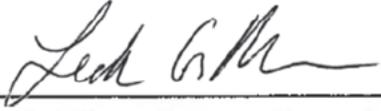
2025-9404

Commissioner's Order

UnitedHealthcare Insurance Company

Page 6 of 7

Recommended and reviewed by:



Leah Gillum, Deputy Commissioner
Fraud and Enforcement Division

Affidavit

STATE OF Texas §

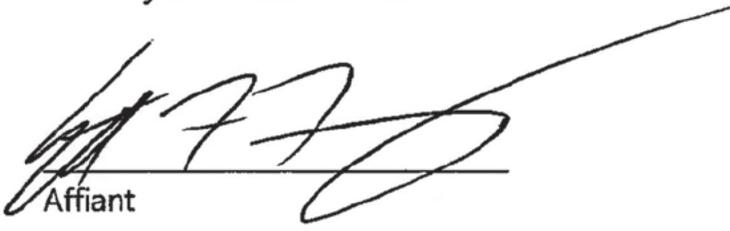
COUNTY OF Collin §

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

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

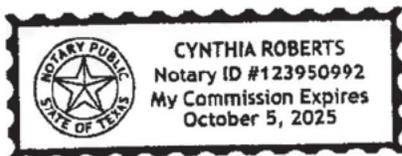
I hold the office of Chief Executive Officer and am the authorized representative of UnitedHealthcare Insurance Company. I am duly authorized by said organization to execute this statement.

UnitedHealthcare Insurance Company 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."


Affiant

SWORN TO AND SUBSCRIBED before me on June 23rd, 2025.

(NOTARY SEAL)



Cynthia Roberts
Signature of Notary Public

Cynthia Roberts
Printed Name of Notary Public