

No. **2026-9709**

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

Date: 1/5/2026

Subject Considered:

Scott & White Care Plans
1206 W Campus Dr
Temple, Texas 76502-7124

Consent Order
TDI Enforcement File No. 35936

General remarks and official action taken:

This is a consent order with Scott & White Care Plans (SWCP). The Texas Department of Insurance (TDI) conducted a triennial quality of care examination and found multiple violations, including repeat violations from the previous 2019 quality of care examination. SWCP has agreed to pay a \$115,000 administrative penalty for these violations.

Waiver

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

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1. SWCP holds a basic service health maintenance organization certificate of authority, issued by TDI on September 25, 2018.

Prior Triennial Exam

2. On June 16, 2023, the commissioner entered Order No. 2023-8025 against SWCP for violations found in the 2019 triennial quality of care examination. The order imposed a \$65,000 penalty and required SWCP to submit a report affirming that it had fully implemented its post-exam corrective action plan.

Current Triennial Quality of Care Examination

3. TDI conducted the quality of examination of SWCP's health maintenance organization health line of business for the period of January 1, 2020, through December 31, 2022.
4. The findings of the examination, which included violations of the Texas Insurance Code and the Texas Administrative Code, are in the Final Examination Report dated July 31, 2024.
5. On October 3, 2024, SWCP submitted a corrective action plan.

Utilization Review Requests

6. TDI reviewed 8,529 utilization reviews done by SWCP's utilization review agent (URA).
7. In less than 1% (16 of 8,529) of requests reviewed, a notice of determination made by the utilization review agent was sent later than the second working day after the date of the request. In the previous exam, 8% were in violation.

Initial Adverse Determinations

8. TDI sampled and reviewed 35 initial adverse determinations for statutory compliance.

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9. In 3% (1 of 35) of initial adverse determinations reviewed, an adverse determination was issued regarding medical necessity without referring those determinations to an appropriate physician or health care provider.
10. In 6% (2 of 35) of initial adverse determinations reviewed, an adverse determination was issued without affording the provider of record a reasonable opportunity to discuss treatment no less than one working day prior to issuing the determination. In the previous exam, 3% were in violation.
11. In 3% (1 of 35) of initial adverse determinations reviewed, SWCP did not issue an adverse determination within three working days.
12. In 3% (1 of 35) of initial adverse determinations reviewed, SWCP did not include in the decision letter, the professional specialty of the physician, doctor, or other health care provider that made the adverse determination.

Adverse Determination Appeals

13. TDI reviewed 11 adverse determination appeals for statutory compliance.
14. In 9% (1 of 11) of adverse determination appeals reviewed, SWCP did not send an appeal acknowledgment letter within five working days after receiving the appeal.
15. In 9% (1 of 11) of adverse determination appeals reviewed, SWCP did not refer the request to an appropriate physician or health care provider to determine medical necessity. In the previous exam, 8% were in violation.
16. In 9% (1 of 11) of adverse determination appeals reviewed, SWCP did not send written notice to the appealing party within 30 calendar days after the date the URA received the appeal.

Claims

17. TDI sampled and reviewed 50 claims for statutory compliance.
18. Of the 50 claims reviewed, 20 were paid late.

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19. In 35% (7 of 20) of late claims reviewed, SWCP did not pay applicable penalties and interest. SWCP has since paid all applicable penalties and interests. .
20. SWCP provided a claims impact report, detailing contracted claims it processed incorrectly, from September 10, 2021, through December 31, 2022. The report lists 5,653 claims SWCP reprocessed. The report records the penalty amounts and dates of payments it paid to its contracted providers; some of these penalty amounts include interest payments the SWCP paid to TDI. SWCP reported it paid all penalty and interest due to its contracted providers and TDI.
21. Of the 50 claims reviewed, 9 were noncontracted emergency claims.
22. In 56% (5 of 9) of noncontracted emergency claims reviewed, SWCP did not process a noncontracted provider of an emergency, specialty, or other health care service in accordance with the prompt payment requirements.
23. Of the 50 claims reviewed, 15 were noncontracted claims. In 100% (15 of 15) of noncontracted claims reviewed, SWCP did not provide the balance billing prohibition notification in the explanation of benefits to the providers.
24. SWCP did not accurately report the number of claims paid within statutory timeframes during the scope of this exam based on the prompt payment claim report filed with TDI on a quarterly basis. TDI issued a warning letter to SWCP in June 2022 for inaccurate reporting and for failing to report institutional claims paid over 91 days late.

Initial and Appeal Complaints

23. TDI reviewed 44 complaints and 20 (45%) were confirmed.
24. SWCP did not provide complaint logs categorizing each complaint per the required statutory elements.
25. In 3% (1 of 40) of complaints reviewed, SWCP's response letter did not explain the resolution of the complaint, including the specific medical and contractual reason for the resolution of the complaint.

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26. In 18% (7 of 40) of complaints reviewed, SWCP did not send an acknowledgement letter within five business days after the complaint was received.
27. In 18% (7 of 40) of complaints reviewed, SWCP did not provide the balance billing prohibition notification in the explanation of benefits sent to the member or provider.
28. In 25% (10 of 40) of complaints reviewed, SWCP did not attempt in good faith to effect a prompt, fair, and equitable settlement of a claim submitted in which liability had become reasonably clear.
29. In 3% (1 of 40) of complaints reviewed, SWCP did not pay a penalty on a noninstitutional preferred provider's claim that was paid within 30 to 45 days of receipt of the clean claim. SWCP paid the penalty during this exam.
30. In 3% (1 of 40) of complaints reviewed, SWCP did not pay a penalty on a noninstitutional preferred provider's claim that was paid within 46 to 90 days of receipt of the clean claim. SWCP paid the penalty during this exam.
31. In 3% (1 of 40) of complaints reviewed, SWCP did not pay a penalty when paying the balance of a non-institutional preferred provider's claim that was paid between 46 and 90 days of receipt of the clean claim. SWCP paid the penalty amount during the exam.
32. In 5% (2 of 40) of complaints reviewed, SWCP did not pay penalties, including an 18% annual interest penalty to TDI, on non-institutional preferred provider's claims that were paid on or after 91 days of receipt of the clean claims. SWCP paid the applicable penalties and interest during the exam.
33. In 8% (3 of 40) of complaints reviewed, SWCP did not pay an 18% annual interest penalty to TDI on non-institutional preferred provider's claims that were paid on or after 91 days of receipt of the clean claims. SWCP paid interest to TDI during the exam.
34. In 8% (3 of 40) of complaints reviewed, SWCP did not pay providers within 45 days after the date the company received the claims. The claims were reprocessed and paid appropriately.

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35. In 25% (1 of 4) of complaint appeals reviewed, SWCP did not complete the appeals process within 30 calendar days after the date the written request for appeal was received.

Agent Licensing and Appointments

36. In 5% (1 of 20) of the policies reviewed, SWCP allowed an agent who was not properly appointed to issue or service policies.
 - a. The agent was appointed with the parent organization but not with Scott & White Care Plans.

Provider Directories

37. TDI reviewed health care provider lists and directories to determine statutory compliance.
38. SWCP conducted ongoing reviews of its directory. In 4% (21 of 539) of the directory reviews, SWCP did not correct or update the information at least monthly. This is a repeat violation from the previous exam.
39. In 12% (7 of 59) of the directory reports, notices, or complaints of inaccurate information reviewed, SWCP did not correct its directory by the seventh day after the date the report, notice, or complaint was received. In the previous exam, 20% were in violation.

Conclusions of Law

1. The commissioner has jurisdiction over this matter under TEX. INS. CODE Chs. 38, 82, 84, 843, 1451, 1456, 4001, and 4201; and 28 TEX. ADMIN. CODE Chs. 11, 19, and 21.
2. The commissioner has the 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.

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3. SWCP 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. SWCP violated TEX. INS. CODE § 4201.302 because a notice of determination made by the utilization review agent was sent later than the second working day after the date of the request
5. SWCP violated TEX. INS. CODE § 4201.153(d) and 28 TEX. ADMIN. CODE § 19.1705(d) because an adverse determination was issued regarding medical necessity without referring those determinations to an appropriate physician or health care provider.
6. SWCP violated TEX. INS. CODE § 4201.206 and 28 TEX. ADMIN. CODE § 19.1703(b)(26)(A) because an adverse determination was issued without affording the provider of record a reasonable opportunity to discuss treatment no less than one working day prior to issuing the determination.
7. SWCP violated TEX. INS. CODE § 4201.304(a)(2) and 28 TEX. ADMIN. CODE § 19.1709(e)(3) because it did not issue an adverse determination within three working days.
8. SWCP violated 28 TEX. ADMIN. CODE § 19.709(c)(4) because it did not include in the decision letter the professional specialty of the physician, doctor, or other health care provider that made the adverse determination.
9. SWCP violated TEX. INS. CODE § 4201.355(a) and 28 TEX. ADMIN. CODE § 19.1711(a)(3)(A) because it did not send an appeal acknowledgement letter within five working days after receiving the appeal.
10. SWCP violated 28 TEX. ADMIN. CODE § 19.1711(a)(4) because it did not refer the request to an appropriate physician or health care provider to determine medical necessity.

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11. SWCP violated TEX. INS. CODE § 4201.359(a) because it did not send written notice to the appealing party within 30 calendar days after the date the URA received the appeal.
12. SWCP violated TEX. INS. CODE § 843.342(b) and (m), and 28 TEX. ADMIN. CODE § 21.2815(a)(2) because it did not pay penalties on non-institutional preferred provider claims that were paid within 46 to 90 days of receipt of the clean claim.
13. SWCP violated TEX. INS. CODE § 843.342(c) and (m), and 28 TEX. ADMIN. CODE § 21.2815(a)(3) because it did not pay a penalty, including an 18% annual interest penalty to TDI, on a non-institutional preferred provider claim that was paid on or after 91 days of receipt of the clean claim.
14. SWCP violated TEX. INS. CODE § 843.342(a) and (m), and 28 TEX. ADMIN. CODE § 21.2815(a)(4) because it did not pay penalties to an institutional preferred provider on claims paid between 30 and 45 days late, including all applicable prompt payment penalties payable to TDI.
15. SWCP violated TEX. INS. CODE § 843.342(b) and (m), and 28 TEX. ADMIN. CODE § 21.2815(a)(5) because it did not pay a penalty to an institutional preferred provider on a claim paid between 46 and 90 days late, including all applicable prompt payment penalties payable to TDI.
16. SWCP violated TEX. INS. CODE § 843.342(f) and 28 TEX. ADMIN. CODE § 21.2815(c)(6) because it did not pay a penalty to an institutional preferred provider on the balance of a claim paid more than 90 days late, including 18% interest on the penalty amount, and all applicable prompt payment penalties payable to TDI.
17. SWCP violated TEX. INS. CODE § 843.351 and 28 TEX. ADMIN. CODE § 21.2823 because it did not process a noncontracted provider of an emergency, specialty, or other health care service in accordance with prompt payment requirements.
18. SWCP violated TEX. INS. CODE § 843.338(3) because it did not send written notice to the physician or provider explaining why an electronic clean claim will not be paid within 30 days.

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19. SWCP violated TEX. INS. CODE § 1271.008 because it did not provide the balance billing prohibition notification in the explanation of benefits to the provider.
20. SWCP violated 28 TEX. ADMIN. CODE § 21.2821 because it did not accurately report the number of claims paid within statutory timeframes during the scope of the exam based on the prompt payment claim report filed with TDI on a quarterly basis.
21. SWCP violated 28 TEX. ADMIN. CODE § 11.204(27)(A)-(J) because it did not provide complaint logs categorizing each complaint per the required elements.
22. SWCP violated TEX. INS. CODE § 843.253(b)(1) and (2) because SWCP's complaint response letter did not explain the resolution of the complaint including the specific medical and contractual reason for the resolution of the complaint.
23. SWCP violated TEX. INS. CODE § 843.252(a) because it did not send an acknowledgement letter within five business days after the complaint was received.
24. SWCP violated TEX. INS. CODE § 1271.008 because it did not provide the balance billing notification in the explanation of benefits sent to the member or provider.
25. SWCP violated TEX. INS. CODE § 542.003(b)(4) because it did not attempt in good faith to effect a prompt, fair, and equitable settlement of a claim submitted in which liability has become reasonably clear.
26. SWCP violated TEX. INS. CODE § 843.342(a) and (m), and 28 TEX. ADMIN. CODE § 21.2815(a)(1) because it did not pay a penalty on a non-institutional preferred provider's claim that was paid within 30 to 45 days of receipt of the clean claim.
27. SWCP violated TEX. INS. CODE § 843.342(b) and (m), and 28 TEX. ADMIN. CODE § 21.2815(a)(2) because it did not pay a penalty on a non-institutional preferred provider's claim that was paid within 46 to 90 days of receipt of the clean claim.
28. SWCP violated TEX. INS. CODE § 843.342(e) and (m), and 28 TEX. ADMIN. CODE § 21.2815(c)(2) because it did not pay a penalty when paying the balance of a noninstitutional preferred provider's claim that was paid between 46 and 90 days of receipt of the clean claim

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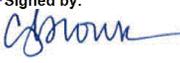
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29. SWCP violated TEX. INS. CODE § 843.342(c) and (m), and 28 TEX. ADMIN. CODE § 21.2815(a)(3) because it did not pay penalties, including an 18% annual interest penalty to TDI, on non-institutional preferred provider's claims that were paid on or after 91 days of receipt of the clean claims
30. SWCP violated TEX. INS. CODE § 843.346 because it did not pay providers within 45 days after the date the company received the claims
31. SWCP violated TEX. INS. CODE § 843.254(c) because it did not complete the appeals process within 30 calendar days after the date the written request for appeal was received.
32. SWCP violated TEX. INS. CODE § 4001.202 because it allowed an agent who was not properly appointed to issue or service policies.
33. SWCP violated TEX. INS. CODE § 843.201, 28 TEX. ADMIN. CODE §§ 11.1600(b)(12) and (13) because its current list of contracted facilities included facilities in counties which were not in SWCP's approved service area.
34. SWCP violated TEX. INS. CODE § 1451.505(d) because it did not correct or update the provider directory as necessary at least once each month.
35. SWCP violated TEX. INS. CODE § 1451.505(e) because it did not correct its directory by the seventh day after the date the report, notice, or complaint was received.

Order

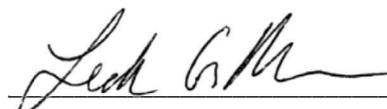
It is ordered that Scott & White Care Plans pay an administrative penalty of \$115,000 within 30 days from the date of this order. The administrative penalty must be paid as instructed in the invoice, which the department will send after entry of this order.

It is also ordered that Scott & White Care Plans submit a report to the department on or before 30 days from the date of this order. The report will affirm that Scott and White Health Plan has fully implemented its post-exam corrective action plan. If the company 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. The company must send the report to EnforcementReports@tdi.texas.gov.

Signed by:

FC5D7EDDFB4F8...

Cassie Brown
Commissioner of Insurance

Recommended and reviewed by:



Leah Gillum, Deputy Commissioner
Fraud and Enforcement Division



Sydney Rosales, Staff Attorney
Enforcement

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Approved as to form and content:

Rachael Padgett

Rachael Padgett
Counsel for Scott & White Care Plans

Affidavit

STATE OF Texas §

§

COUNTY OF Bell §

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

"My name is Stephanie Motter. 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 and am the authorized representative of Scott and White Health Plan. I am duly authorized by said organization to execute this statement.

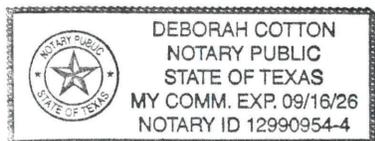
Scott and White Health Plan has knowingly and voluntarily entered into the foregoing consent order and agrees with and consents to the issuance and service of the same by the commissioner of insurance of the state of Texas."

Stephanie Motter

Affiant

SWORN TO AND SUBSCRIBED before me on December 9, 2025.

(NOTARY SEAL)



D Cotton
Signature of Notary Public

Deborah Cotton
Printed Name of Notary Public