

UnitedHealthcare Insurance Company, Oxford Health Insurance, Inc.  
and Oxford Health Plans (CT), Inc.  
Corrective Action Plan Response  
to the Final Report Dated June 3, 2015 – October 2, 2015

**Agents/Brokers – Findings for Oxford Health Plans, (CT) and Oxford Health Insurance**

- **3. During the period under examination, Respondent failed to follow established practices and procedures to ensure compliance with statutory requirements, resulting in instances of:**
  - **a. OHI – three (3) unlicensed individuals soliciting, negotiating, or effecting insurance on Respondent’s behalf and eleven (11) producers acting as agents of Respondent without required appointment.**
  - **a. OHP, CT – two (2) unlicensed individuals soliciting, negotiating, or effecting insurance on Respondent’s behalf and three (3) producers acting as agents of Respondent without appointment.**
  - **b. OHI/OHP, CT – failure to establish proper procedures to ensure that sufficient documentation is available to demonstrate that individuals negotiating or effecting insurance on Respondent’s behalf are properly licensed and appointed.**
  - **C. OHI/OHP, CT - failure to take corrective action regarding producer licensing and appointments, as required under Docket MC 07-03 executed on April 5, 2007.**

Company Response 10/02/2016: Effective immediately and for future examinations Oxford Health Plans, (CT) and Oxford Health Insurance, Inc. (Oxford) will review our reporting of New Business to ensure we capture small and large commercial groups only, and to further ensure we exclude groups that are part of any recently acquired businesses (i.e. HealthNet) or part of municipal group plans (i.e. MEHIP). Prior to submission New Business reporting will be reviewed to identify and address any “missing” or “unpopulated” fields. . Additionally, the United exam coordinator will work closely with the enrollment and commissions team to produce complete documentation for review during any examination. This review will be built into the exam request process during the preparation of pre-survey materials.

The bi-annual audits committed to within corrective action plan for Docket MC 07-03 to validate appointment and licensure of producers was implemented, it is the Company’s observation that the audits were effective, but not as comprehensive as initially thought to be

**Owner: Carrie Miller, Market Conduct Exam Team (MCEAT)**  
**Effective: Immediately and for future examinations**

Company Response 10/02/2016: Oxford continues to perform the audit of agent appointment/licensure which was required in our 2007 corrective action plan. As a result of this examination we have identified a process improvement within the appointment of agents. The State regulations allow for a 15 day grace period from the date of sale of business to appoint an un-appointed agent. It was identified that this grace period was not properly taken into consideration when submitting appointment to the Department via CT-CLIC.com. We have updated our Connecticut License Appointment Process to indicate if a broker's license appointment falls within the 15 day grace period and follows all other policy requirements, then the agent's Connecticut appointment will be processed retroactive to the 1st day of the month.

Starting May 2015 an initiative was employed to validate licensure and appointment of internal sales representatives. All internal sales representatives will now be appointed to each licensed Connecticut entity: United and both Oxford companies.

There is also a system migration underway that will improve broker credentialing for Oxford products as they will be moved from Oxford's current system PULSE to United's system UNET. If there are no delays, the system migration is scheduled to begin in the third quarter of 2016. In preparation for the move, all agent appointments and licenses will be validated for accuracy on a regular basis prior to and during the system migration. The migration will allow for several benefits:

- Centralized agent/broker records
- Broker Appointment and writing agents can be tracked more systematically by legal entity.
- Writing agents are tracked more systematically on the UHC platform.
- Broker licenses and appointments are verified when the commissions are calculated every 2 weeks. Commissions are "held" (and not paid) if the license or appointment is not current.

**Owner: Mike Durbano, Director, Commissions**  
**Effective: Immediately and as detailed above**

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#### **Substance Abuse Claims - Findings for Oxford Health Plans, (CT) and Oxford Health Insurance**

- **d. OHI/OHP, CT – failure to implement reasonable standards for the prompt investigation of substance abuse claims.**

Company Response 10/02/2016: Oxford acknowledges that substance abuse claims submitted by individual physicians were denied as ineligible providers. Our policy was updated June 1, 2011 to correct this and be in alignment with the policies in effect through OptumBehavioral Health and to allow reimbursement to individual providers. Our process dictates that the claims

for a period of one year prior to the policy update are to be reviewed and adjusted, if necessary. As part of this process, a claims sweep was initiated to capture individual physician claims and adjust accordingly. At the Department's request, these claims were later reviewed and applicable interest applied. No further action is required.

**Owner: Priscilla Henderson, Business Process Quality Management  
& Carrie Miller, Market Conduct Exam Team (MCEAT)  
Effective: No action**

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**Autism Claims - Findings for Oxford Health Plans, (CT) and Oxford Health Insurance**

- **e. OHI/OHP, CT – failure to maintain proper controls to ensure that claims for autism treatment are processed timely and sufficiently documented.**

Company Response 10/02/2016: Oxford/United has a comprehensive legislative review process wherein mandated benefits are thoroughly reviewed and vetted to the appropriate business areas for implementation. The Company allows for coverage of Autism services according to the Connecticut autism benefit mandate and recognizes that benefit limits cannot be limited. It was determined that system logic to route autism claims to a specific claims queue inadvertently excluded certain products codes resulting in incorrect claim denials. The system was corrected in July 2013 to address this issue. All claims identified during the examination were reprocessed with applicable interest. No further action.

**Owner: Priscilla Henderson, Business Process Quality Management  
& Carrie Miller, Market Conduct Exam Team (MCEAT)  
Effective: No action**

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**Prompt Pay – Findings for Oxford Health Plans, (CT) and Oxford Health Insurance and UnitedHealthcare Insurance Company.**

- **a. UHIC/g. OHI/OHP, CT - failure to pay claims in a timely manner.**
- **b. UHIC/f. OHI/OHP, CT – failure to pay claims without conducting a reasonable investigation.**
- **c. UHIC – failure to pay interest on claims not paid in a timely manner.**
- **h. OHI/OHP, CT – failure to take corrective action for the prompt payment and investigation of claims required under Docket MC07-04, executed on April 5, 2007.**

**Prompt Pay UnitedHealthcare Insurance Company, Oxford Health Insurance, Inc. and Oxford Health Plans (CT), Inc.:**

Company Response 10/02/2016: The Company, (encompassing both the UnitedHealthcare Insurance Company and the Oxford business), will continue to utilize the prompt pay application procedures implemented on the claim processing platforms. Both platforms currently apply processes in accordance with Connecticut prompt pay legislation. The legislation currently requires that electronic claims processed in greater than 20 days and paper claims processed in greater than 60 days receive 15% annualized interest when the interest calculates to more than \$1.00. Claims for which the applicable interest calculates to LESS than \$1.00 are separately identified and each platform sends corresponding payments to the University of Connecticut Health Center on a quarterly basis.

The Company is in the process of reprocessing the 36 claims identified on UNET, for the UHIC license in the 2011 and 2012 prompt pay reviews, to accurately determine applicable interest payments. Copies of the explanation of benefits documents showing these payments will be provided to the examiners within 60 days from the date of this Corrective Action Plan Response. An internal communication will be issued to processors within seven (7) business days from the date of this Corrective Action Plan Response that reinforces the correct application of Connecticut prompt pay requirements on late paid claims. The company will also review data for claims processed from 2013 to present to assess opportunities for interest processing enhancements, and to provide individual processor feedback. These reviews will begin within 60 days from the date of this Corrective Action Plan Response.

Beginning with the fourth quarter 2015 and continuing through 2016, the Company will institute quarterly quality reviews of Connecticut prompt pay application. Continued corrective action and process improvements will be implemented as applicable based on the findings in the quarterly quality reviews.

**Owner: Rebecca Falk, Regulatory Adherence**  
**Effective: As detailed above**

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