



STATE OF CONNECTICUT

INSURANCE DEPARTMENT

Market Conduct Report

of

CareCentrix, Inc.

March 1, 2021

From October 29, 2020 through February 1, 2021, the Market Conduct Division of the Connecticut Insurance Department examined the utilization review practices of CareCentrix, Inc. (the Company), using a sample period of January 1, 2019 through December 31, 2019. The examination was limited to Connecticut enrollees.

CareCentrix, Inc. has its home office in the State of Connecticut and is licensed as a utilization review entity in the State of Connecticut under license number 200001250. By authority granted under §38a-591 of the Connecticut General Statutes, this examination was conducted by Market Conduct examiners of the State of Connecticut Insurance Department (the Department) at the Department's offices in Hartford, Connecticut.

The purpose of the examination was to evaluate the Company's utilization review practices in the State of Connecticut. From a listing of utilization reviews performed by the Company, the examiners reviewed one hundred twenty-one (121) sample files, which included complaints and approved and denied certifications during the examination period.

The Department's findings are as follows:

- The examiners verified that one (1) determination not to certify care was not made within the required 15 days of the receipt of the request for review, upon the receipt of all information reasonably required to make denial determinations.
- The examiners verified that twenty-one (21) determinations not to certify care failed to provide the information in order to access the MCG criteria of such health carrier's Internet web site in order to access the clinical criteria online.

It is recommended that the Company review its policies and procedures to ensure that denial determinations are made within the 15 day requirement, and the applicable information be contained within the determinations not to certify care in order to access the clinical criteria online, as required by statute.



STATE OF CONNECTICUT

INSURANCE DEPARTMENT

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IN THE MATTER OF : DOCKET MC 21-33
CareCentrix, Inc. :
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STIPULATION AND CONSENT ORDER

It is hereby stipulated and agreed between CareCentrix, Inc. and the State of Connecticut Insurance Department by and through Andrew N. Mais, Insurance Commissioner ("Insurance Commissioner") to wit:

I

WHEREAS, pursuant to a market conduct examination, the Insurance Commissioner alleges the following with respect to CareCentrix, Inc.:

1. CareCentrix, Inc., hereinafter referred to as Respondent, is domiciled in the State of Delaware and is licensed to transact the business of a utilization review entity in the State of Connecticut under license number 200001250.
2. From October 29, 2020 through February 1, 2021, the Department conducted an examination of Respondent's utilization review practices in the State of Connecticut covering the period from January 1, 2019 through December 31, 2019.
3. During the period under examination, Respondent failed to establish practices and procedures to ensure compliance in all instances with statutory requirements for:
 - a. notification of one (1) instance of a determination not to certify care, admission or procedure within 15 days of the receipt of the request for review. upon the receipt of all information reasonably required to make denial determinations.
 - b. providing adequate information in twenty-one (21) determination letters on how to access the clinical criteria posted on the carrier's website.
4. The conduct as described above violates §38a-591b and §38a-591d of the Connecticut General Statutes, and §38a-591-8 of the Regulations of Connecticut State Agencies, and constitutes cause for the imposition of a fine or other administrative penalty under §38a-591k of the Connecticut General Statutes.

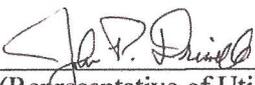
II

1. WHEREAS, Respondent admits to the allegations contained in paragraphs three and four of Article I of this Stipulation; and
2. WHEREAS, Respondent agrees to review its utilization review practices and procedures identified as concerns during the market conduct examination, as described in the Examination of Utilization Review Practices Report and this Stipulation, and bring them into immediate compliance with Connecticut Statutes; and
3. WHEREAS, Respondent agrees to provide the Insurance Commissioner with a full report of finding and a summary of actions taken to comply with the requirements of paragraph two of this section within ninety (90) days of the date of this document; and
4. WHEREAS, Respondent, being desirous of terminating this proceeding without the necessity of a formal proceeding or further litigation, does consent to the making of this Final Order and voluntarily waives:
 - a. any right to a hearing; and
 - b. any requirement that the Insurance Commissioner's decision contain a statement of findings of fact and conclusion of law; and
 - c. any and all rights to object to or challenge before the Insurance Commissioner or in any judicial proceeding any aspect, provision or requirement of this Stipulation
5. WHEREAS, Respondent agrees to pay a fine in the amount of \$7,000.00 for the violations described herein.

NOW THEREFORE, upon the consent of the parties, it is hereby ordered and adjudged:

1. That the Insurance Commissioner has jurisdiction of the subject matter of this administrative proceeding.
2. That Respondent is fined the sum of Seven Thousand Dollars (\$7,000.00) for the violations herein above described.

CARECENTRIX, INC.

BY: 
(Representative of Utilization Review Entity)

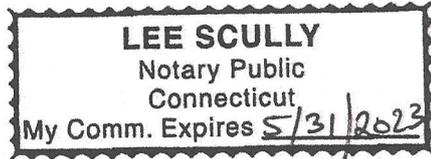
CERTIFICATION

The undersigned deposes and says that he/she has duly executed this Stipulation and Consent Order on this 21st day of May 2021 for and on behalf of CareCentrix, Inc. that he/she is the CEO of such company, and he/she has authority to execute and file such instrument.

BY: 
State of Connecticut
County of Fairfield

Personally appeared on this 21st day of May 2021,
John P. Driscoll signer and sealer of the foregoing
Stipulation and Consent Order, acknowledged same to be his/her free act and deed before me.


Notary Public/Commissioner of the Superior Court



* Remote Notarization performed

Section Below To Be Completed by State of Connecticut Insurance Department

Dated at Hartford, Connecticut this 1st day of June 2021.


Andrew N. Mais
Insurance Commissioner