



LOUISIANA DEPARTMENT OF INSURANCE

JAMES J. DONELON
COMMISSIONER

CEASE AND DESIST ORDER **AND NOTICE OF FINE** **NAIC #79413**

September 14, 2022

LaCosta Wix
Kristin Erickson
Regulatory Compliance
UnitedHealthcare Insurance Company
185 Asylum Street
Hartford, CT 06103-3408

Article #: 7020 3160 0000 1369 6509

Email: lacosta_wix@uhc.com
Email: kerick9@uhc.com

WHEREAS, IT HAS COME TO MY ATTENTION, as Commissioner of Insurance (Commissioner) of the Louisiana Department of Insurance (LDI), that UnitedHealthcare Insurance Company (UHC) has violated certain provisions of the Louisiana Insurance Code (Code), Title 22, La. R.S. 22:1 *et. seq.* As used hereinafter, "you" and "your" refer to UnitedHealthcare Insurance Company. Accordingly, pursuant to the power and authority vested in me as the Commissioner, I issue this Cease and Desist Order and Notice of Fine based on the following to wit:

UnitedHealthcare Insurance Company is an admitted insurer (LDI #1300 and NAIC #79413), permitted to do business in the state of Louisiana since August 17, 1973, and the status of your Certificate of Authority is active.

As you are aware, your submission of company form filings of product discontinuation notification letters to the LDI indicates that you failed to mail out written notices of insurance product discontinuance at least ninety (90) days prior to the date of the discontinuation of such coverage, in violation of La. R.S. 22:1068(C). You provided an Excel spreadsheet of the insurance products that were discontinued on 12/31/2021, and the notices were mailed on 10/18/2021, seventy-five (75) days prior to discontinuation of coverage.

On January 31, 2022, a Notice of Proposed Regulatory Action was sent to your address of record via certified mail in accordance with La. R.S. 49:961 and La. R.S. 22:2195 requesting additional information and an explanation regarding the potential violations of the Code. On March 2, 2022, you submitted a response to the aforesaid notice including an outline of what occurred concerning the group health plans being discontinued and the impacted groups and/or plan sponsors.

It is the duty of the Commissioner of Insurance to administer the provisions of the Louisiana Insurance Code. Following an assessment of your response and acknowledgment that eighty three (83) groups and/or plan sponsors were impacted, this department determined to move forward to impose administrative action.

AUTHORITY OF THE COMMISSIONER

The Louisiana Insurance Code, Title 22, R.S. §22:1 *et seq.* states as follows:

§2. Insurance regulated in the public interest

A. (1) Insurance is an industry affected with the public interest and it is the purpose of this Code to regulate that industry in all its phases....It shall be the duty of the commissioner of insurance to administer the provisions of this Code.

La. R.S. 22:18 maintains in pertinent part:

§18. Suspension or revocation of insurers' licenses; fines; orders

A. The commissioner of insurance may, as a penalty, in accordance with R.S. 49:961, refuse to renew, or may suspend, or revoke the certificate of authority or license of any insurer, person, or entity violating any of the provisions of this Code, or in lieu of suspension or revocation of a certificate or license duly issued, the commissioner may levy a fine not to exceed one thousand dollars for each violation per insurer, person, or entity, up to one hundred thousand dollars aggregate for all violations in a calendar year per insurer, person, or entity, when such violations warrant the refusal, suspension, or revocation of such certificate or license, or the imposition of the fine. The commissioner is also authorized to order any insurer, person, or entity to cease and desist any such action that violates any provision of this Code.

La. R.S. 22:1068 maintains in pertinent part:

§ 1068. Guaranteed renewability of coverage for employers in the group market

C. (1) In any case in which an issuer decides to discontinue offering a particular type of group health insurance coverage offered in the small or large group market, coverage of such type may be discontinued by the issuer in such market only if:

(a) The issuer provides notice to each plan sponsor provided coverage of this type in such market, and participants and beneficiaries covered under such coverage, of such discontinuation at least ninety days prior to the date of the discontinuation of such coverage.

VIOLATIONS:

Your failure to mail out written notices of insurance product discontinuance at least ninety (90) days prior to the date of the discontinuation of such coverage constitutes a violation of La. R.S. 22:1068(C)(1)(a).

BE ADVISED:

COMMISSIONER'S ACTION:

As a result of the investigation and documentation in the possession of the LDI, and in accordance with La. R.S. 22:18 and La. R.S. 49:961, a determination has been rendered that you are in violation of the statutes listed above and the Louisiana Commissioner of Insurance hereby orders you, the admitted insurer **UnitedHealthcare Insurance Company (LDI #1300 and NAIC #79413)**, to **Cease and Desist** from the aforementioned violations. Any violation of the cease and desist order or other violations of the Louisiana Insurance Code may result in further regulatory action being taken by the Louisiana Department of Insurance. Further, the Certificate of Authority issued to you is hereby **FINED \$15,000.00**, for violations of the Louisiana Insurance Code, payable immediately upon receipt of this Notice.

YOUR ACTION:

Be advised that this constitutes an administrative action and that it will be reported to the National Insurance Producer Registry (NIPR). Be further advised that all actions taken on licenses, in accordance with La. R.S. 49:961(C) and Regulation 120, shall take effect (10) calendar days from the date of issuance of the notice of regulatory action, unless otherwise provided in Title 22, and that cease and desist orders and summary suspension actions take effect immediately upon issuance. Please also take note that you may need to report this administrative action to other states in which you hold an active license. Contact that state's insurance department if you are unsure of the requirements.

Please remit your **\$15,000.00** fine payment and a copy of this notice to:

Louisiana Department of Insurance
Attention: Accounts Receivable
P.O. Box 94214
Baton Rouge, LA 70804-9214

Pursuant to La. R.S. 22:2191(A)(2), any person aggrieved by an act of the Commissioner may request a hearing. You must make a written demand for an appeal within thirty (30) days from the date of this notice. Failure to file a written demand for an appeal within thirty (30) days from this notice will preclude your right to an administrative hearing.

Pursuant to La. R.S. 22:2191(B), your written demand for an appeal (1) shall reference the particular sections of the statutes and rules involved; (2) shall provide a short and plain statement of the matters asserted for review; and (3) shall attach a copy of the order or decision that you are appealing. Appealing this notice does not stay the action of the Commissioner of Insurance. Pursuant to La. R.S. 22:2204, you must request and be granted a stay of this action by the Division of Administrative Law. Your request for a stay may be included in your appeal. Your written demand for an appeal shall be filed with the Louisiana Department of Insurance at the addresses below:

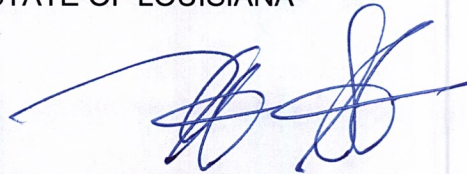
Louisiana Department of Insurance
Attn: David Caldwell, Executive Counsel
P.O. Box 94214

Baton Rouge, LA 70804-9214
Telephone: (225) 342-4673
Fax: (225) 342-1632

File in Person at:
1702 N. Third Street
Baton Rouge, LA 70802

Signed in Baton Rouge, Louisiana this 14th day of September 2022.

JAMES J. DONELON
COMMISSIONER OF INSURANCE
STATE OF LOUISIANA



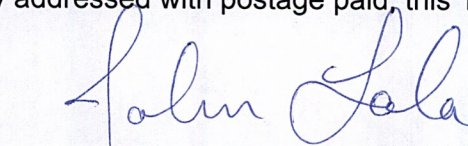
BY:

Nathan Strebeck
Deputy Commissioner
Office of Insurance Fraud
Louisiana Department of Insurance
Telephone: (225) 219-5819

CERTIFICATE OF SERVICE

Article No.: 7020 3160 0000 1369 6509

I do hereby certify that I have this day served the foregoing document upon **UnitedHealthcare Insurance Company** properly addressed with postage paid, this 14th day of September 2022.



John Lala
Compliance Investigator