

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION
AT RICHMOND, SEPTEMBER 15, 2023

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COMMONWEALTH OF VIRGINIA, *ex rel.*

STATE CORPORATION COMMISSION

2023 SEP 15 A 8:40

v.

CASE NO. INS-2023-00065

CIGNA HEALTH AND LIFE INSURANCE COMPANY,
Defendant

SETTLEMENT ORDER

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau has alleged that Cigna Health and Life Insurance Company ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia, in certain instances violated § 38.2-515 C of the Code of Virginia ("Code") by failing to provide information in a timely manner to the Commission; § 38.2-3407.4 B of the Code by issuing explanations of benefits that failed to accurately and clearly set forth the benefits payable under the contract; § 38.2-3445.01 of the Code by failing to comply with Virginia's balance billing law; § 38.2-3445.04 G of the Code by failing to provide an enrollee with the required balance billing disclosures; and 14 VAC 5-405-70 B 3 of the Virginia Administrative Code by failing to provide an explanation of benefits that clearly indicates whether the enrollee may or may not be subject to balance billing if it contains claims from out-of-network providers.

The Commission is authorized by §§ 38.2-218, 38.2-219, 38.2-1040 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

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The Defendant has been advised of the right to a hearing in this matter whereupon the Defendant, without admitting or denying any violation of Virginia law, has made an offer of settlement to the Commission. Through its settlement offer, the Defendant has agreed to comply with the corrective action plan outlined in the Bureau's letter dated September 5, 2023; has tendered to the Treasurer of Virginia the amount of One Hundred Fifty Thousand Dollars (\$150,000); and has waived the right to a hearing.

The Bureau has recommended that the Commission accept the Defendant's settlement offer pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's settlement offer is hereby accepted.
- (2) This case is dismissed.

Commissioner Patricia L. West participated in this matter.

A COPY hereof shall be sent by the Clerk of the Commission by electronic mail to: Glenn Zuercher, Cigna Health and Life Insurance Company, Supervising Counsel, at Glenn.Zuercher@healthspring.com, 900 Cottage Grove Road, Bloomfield, Connecticut 06002; and a copy shall be delivered to the Commission's Office of General Counsel and the Bureau of Insurance in care of Deputy Commissioner Julie Blauvelt.