

**STATE OF OREGON  
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
INSURANCE DIVISION**

In the Matter of **UnitedHealthcare Insurance Company** ) **STIPULATION** and  
 ) **FINAL ORDER**  
 ) Case No. INS 11-09-001

**STIPULATION**

The Director of the Oregon Department of Consumer and Business Services (director) commenced this administrative proceeding, pursuant to Oregon Revised Statutes (ORS) 731.256, to take enforcement action against UnitedHealthcare Insurance Company (UnitedHealthcare).

UnitedHealthcare desires to conclude this proceeding without a hearing by entering into this stipulation pursuant to ORS 183.417(3).

UnitedHealthcare waives all rights relative to an administrative hearing and judicial review thereof.

UnitedHealthcare stipulates to the following facts, conclusions, action, and to the issuance of a final order incorporating this stipulation.

**Facts and Conclusions**

Licensing Information

UnitedHealthcare has been licensed in Oregon as a foreign insurer since 11/1/72. UnitedHealthcare's Oregon Insurance Division company number is 1886, NAIC entity number is 79413, and federal employer identification number (FEIN) is 36-2739571. UnitedHealthcare's last recorded principal place of business address is 185 Asylum Street, Hartford, CT 06103-3408; and telephone number is 860-702-5000.

Failed to Notify Insured of Additional Information Needed to Process Health Claim

UnitedHealthcare is subject to enforcement action pursuant to ORS 743.911(1) because of the following circumstances. ORS 743.911(1), formerly ORS 743.866(1), states that “[e]xcept as provided in this subsection, when a claim under a health benefit plan [as defined in ORS 743.730(19)] is submitted to an insurer by a

provider on behalf of an enrollee, the insurer shall pay a clean claim or deny the claim not later than 30 days after the date on which the insurer receives the claim. If an insurer requires additional information before payment of a claim, not later than 30 days after the date on which the insurer receives the claim, the insurer shall notify the enrollee and the provider in writing and give the enrollee and the provider an explanation of the additional information needed to process the claim. The insurer shall pay a clean claim or deny the claim not later than 30 days after the date on which the insurer receives the additional information.”

From 1/1/08 to 7/18/11, UnitedHealthcare received 7,434 claims, for benefits under health benefit plans issued by UnitedHealthcare to or covering persons residing in Oregon, but needed additional information to process the claims. UnitedHealthcare sent letters to the providers, but not to the enrollees, requesting the additional information. On or about 7/18/11, UnitedHealthcare took corrective action by changing its procedures and computer systems for processing claims to generate a letter to be sent to both an enrollee and a provider when additional information is needed to process a claim.

**Action**

Pursuant to ORS 731.988(1), UnitedHealthcare is assessed a civil penalty of \$20,000. The payment shall be made in the form of a check payable to the "Department of Consumer and Business Services" for the full amount due. The payment shall be delivered or mailed to the Insurance Division at the Labor and Industries Building, 350 Winter Street NE Room 300, Salem, Oregon 97301-3880; or mailed to the Insurance Division at PO Box 14480, Salem, OR 97309-0405. The payment shall be *received* by the Insurance Division by the date of the final order.

Dated \_\_\_\_\_

\_\_\_\_\_  
[Signature of Representative]

\_\_\_\_\_  
[Printed Name of Representative]

\_\_\_\_\_  
[Printed Title of Representative]

UnitedHealthcare Insurance Company

**FINAL ORDER**

The director incorporates herein the above stipulation, adopts it as the director's final decision in this proceeding, and orders that the action stated therein be taken.

Dated October 25, 2011

/s/ Scott L. Harra  
Scott L. Harra  
Acting Director  
Department of Consumer and Business Services