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**BEFORE THE UTAH INSURANCE COMMISSIONER**

<p>UTAH INSURANCE DEPARTMENT,  Complainant,  vs.  HSA HEALTH INSURANCE COMPANY,  Respondent.</p>	<p>FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER</p> <p>Docket No. 2019-4070</p> <p>Lisa Watts Baskin Presiding Officer</p>
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Complainant, Utah Insurance Department ("Department") and Respondent, HSA Health Insurance Company ("HSA"), have stipulated to entry of the following Findings of Fact, Conclusions of Law, and Order. Based upon that stipulation, and good cause appearing, the Presiding Officer makes and enters the following:

**FINDINGS OF FACT**

1. Respondent is a health maintenance organization holding license number 178065.
2. Respondent's mailing address is 10421 S. Jordan Gateway, Suite 550, South Jordan, UT 84095-3903.

3. The Department conducted a Market Conduct Examination of Respondent and found several violations.

4. Respondent was marketing itself as HSA Health Plan without filing a proper DBA with the Department.

5. Respondent was using HSA Health Plan in its advertising which may insinuate that coverage was provided or endorsed by a governmental agency.

6. Respondent was using HSA Health Plan in its marketing practices which may be deceptive or misleading and may imply association where one did not exist.

7. Respondent did not use the name HSA Health Insurance Company in its advertising.

8. Respondent failed to send out letters requesting 15 day extensions for claims not paid within 30 days.

9. Respondent extended coverage on legally terminated contracts and failed to provide a stop-loss disclosure.

10. Respondent failed to provide accurate and complete information to the Commissioner. Not all records requested by the examiner were complete and available for review.

11. The Department and Respondent have agreed to a remediation plan, the terms of which are outlined below.

### **CONCLUSIONS OF LAW**

1. The Utah Insurance Commissioner (“Commissioner”) has jurisdiction over the parties and this adjudicative proceeding pursuant to Utah Code §§ 31A-1-105 and 31A-2-201.

2. The Commissioner has legal authority to impose penalties on the Department's licensees who violate the Utah Insurance Code. Utah Code § 31A-2-308.

3. Respondent's conduct violates Utah Code § 31A-23a-110, 31A-23a-402 and Utah Admin Code R590-130-12, Utah Admin Code R590-154-5, Utah Admin Code R590-130-12, Utah Code § 31A-26-301.6, Utah Code § 31A-43-303, Utah Code § 31A-2-202 and Utah Code 31A-23a-412.

4. In lieu of an administrative forfeiture, Respondent should be ordered to comply with the remediation plan agreed upon between Respondent and the Department.

### **ORDER**

Based on the foregoing Findings of Fact and Conclusions of Law, it is hereby Ordered that:

1. Respondent shall comply with a remediation plan which requires quarterly reporting of the company's business practices to the Department.

2. The first quarterly report will be due on or before April 1, 2019. Reports shall be submitted quarterly thereafter through December 31, 2019. The reports shall contain the following:

a. Updated marketing materials created and distributed during the on-going period, to show compliance with Utah Admin. Code R590-130-12(A);

b. Complete file documentation on at least five new small employer groups for the quarter, if applicable, to show compliance with Utah Code § 31A-23a-412(2)(a);

c. Complete file documentation on at least five small employer groups that have renewed

during the quarter, if applicable, to show compliance with Utah Code § 31A-23a-412(2)(a);

d. Any communication with at least five small employer groups regarding terminations or non-renewals;

e. Copies of any communication with brokers regarding any new products or services; copies of the complaint log for Claims, Underwriting, Account Management and Implementation Divisions for any complaints received during the quarter;

f. Copies of at least five letters sent to providers and insureds requesting a 15 day extension for payment of a claim, to show compliance with Utah Code § 31A-26-301.6(3)(b)(i);

g. A list of any new or terminated brokers and the reason for their termination.

3. When available, a one-time reporting of the following shall be submitted to the Department:

a. Documentation regarding the filing of a proper DBA with the Utah Insurance Department to show compliance with Utah Code § 31A-23a-110;

b. Sample of formal letterhead identifying the name of the actual insurer, to show compliance with Utah Admin Code. R590-130-12(A);

c. Policies and Procedures manual for the Account Management and Underwriting Divisions.

4. Failure to comply with the remediation plan may result in the imposition of additional administrative sanctions or penalties against Respondent.

5. Respondent is ordered not to commit the violations described in the Conclusions of Law in the future.

DATED this 25<sup>th</sup> day of January, 2019.

TODD E. KISER  
Utah Insurance Commissioner

  
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Lisa Watts Baskin  
Presiding Officer  
Utah Insurance Department

**NOTICE TO RESPONDENT**

You are hereby notified that a failure to obey an Order of the Commissioner may subject you to further penalties, including forfeitures of up to \$5,000 per violation and the suspension or revocation of your license and the filing of an action in district court, which may impose forfeitures of up to \$10,000 per day for continued violation. You are further notified that other jurisdictions in which you may be licensed may require that you report this action to them.

**CERTIFICATE OF SERVICE**

The undersigned certifies that on this date a true and correct copy of the foregoing Findings of Fact, Conclusions of Law and Order was emailed to:

David Hall, President  
HSA Health Insurance Company  
[dhall@hsahealthplan.com](mailto:dhall@hsahealthplan.com)

Helen A. Frohlich  
Assistant Attorney General  
[hfrohlich@agutah.gov](mailto:hfrohlich@agutah.gov)

DATED this 25<sup>th</sup> day of January, 2019.



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