

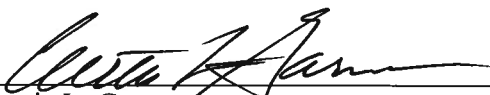
ORDER

Based on the facts and the law set forth in the attached Declaration, and good cause appearing, the Utah Insurance Commissioner orders as follows:

1. Respondent shall forfeit to the Department the amount of \$1,750.00.
2. Pursuant to Utah Code § 63G-4-203(1)(i) and Utah Admin. Code R590-160-8(1), this informal adjudicative proceeding shall be deemed closed, and this Order shall become final and take full effect, 15 days after this Notice of Agency Action and Order is emailed to Respondent unless a written request for a hearing on this matter is received from Respondent prior to that date.
3. A request for a hearing shall be sent by email to uidadmincases@utah.gov or by U.S. mail to Office of the Administrative Law Judge, Utah Insurance Department, 3110 State Office Building, Salt Lake City, UT 84114. The request for hearing shall be signed by the person making the request and shall state the basis for the relief requested.
4. If you fail to request a hearing you will be bound by this Order. Failure to request a hearing will be deemed a failure to exhaust administrative remedies and will preclude any further administrative or judicial review or appeal of this matter.

DATED this 20th day of February, 2021.

JONATHAN T. PIKE
Utah Insurance Commissioner



Curtis L. Garner
Presiding Officer
Utah Insurance Department
3110 State Office Building
Salt Lake City, UT 84114
801-538-3860
Email: uidadmincases@utah.gov

NOTICE REGARDING ENFORCEMENT OF THIS ORDER

Failure to obey this Order may subject you to further penalties that include a forfeiture of up to \$5,000 per violation, with each day of the violation constituting a separate violation. Other penalties for failing to obey this Order may include license suspension, probation, refusal to renew, or revocation. Failure to obey this Order may also result in an action taken against you in a court of competent jurisdiction where forfeitures of up to \$10,000 for each day the failure to comply continues until judgment is rendered. If you are licensed in other jurisdictions, you may be required to report this proceeding to those jurisdictions.

DECLARATION

Under criminal penalty of Utah law, I, Karen Maybury, declare the following:

1. I am currently employed as a Market Conduct Examiner with the Utah Insurance Department (“Department”) where my responsibilities include investigating and enforcing Utah insurance laws.

2. I submit this Declaration as the basis for issuing the Notice of Agency Action and Order against SelectHealth, Inc. (“Respondent”) to which this Declaration is attached.

3. Based on my personal knowledge and/or based on the facts appearing in the Department’s records and files, the following facts are true:

a. Respondent is a health maintenance organization domiciled in the State of Utah and is authorized to engage in the business of insurance under license number 1544.

b. Utah Admin. Code R590-220-17(1) provides the requirements for responding to an objection letter from the Department. Those requirements require (1) providing an explanation identifying all changes made; (2) including an underline and strikeout version for each revised document; (3) a final version of the revised document that incorporates all changes; and (4) attaching the documents in Subsections R590-220-17(1)(b) and (c) to the appropriate Form Schedule or Rate/Rule Schedule tabs.

c. Utah Admin. Code R590-220-18 provides that “[a] person found to be in violation of this rule shall be subject to penalties as provided under Section 31A-2-308.”

d. In December 2016, the Department filed an Objection Letter, via the System for Electronic Rate and Form Filing (“SERFF”), to a filing by Respondent. Among Respondent’s responses to the Department’s objections was a request for an extension. The Department notified Respondent that requesting an extension in response to an

objection is an improper objection response and could result in an order to prohibit use. The Department also informed Respondent that a request for an extension should be done via a note to the reviewer. Respondent's representative "apologize[d]," stating that Respondent "will be sure to send these requests [for an extension] in [a] note [to] reviewer in the future."

e. In February 2018, the Department filed an Objection Letter, via SERFF, to a filing by Respondent. In its response to the letter, Respondent requested an extension. The Department responded to Respondent's improper objection response by informing Respondent that "[a] one-time exception will be granted. . . . However, please note that future filings must be handled correctly[,] or the filing will be subject to rejection or an Order to Prohibit."

f. In 2020, Respondent, via SERFF, filed six form filings pertaining to its Plan Year 2021 binder filings ("Respondent's PY 2021 Forms").

g. On June 30, 2020, the Department, via SERFF, filed an Objection Letter ("June 30th Letter"), with a response due by July 8, 2020, to Respondent's PY 2021 Forms filing.

h. On July 8, 2020, Respondent responded to the Department's June 30th Letter by stating "we are updating a number of new providers and need a little more time to respond. Can we have an extension to the 15th?" Respondent's response did not include a note to the reviewer regarding an extension.

i. On July 22, 2020, the Department, via SERFF, filed an Objection Letter ("July 22nd Letter") to Respondent's PY 2021 Forms filing.

j. On August 13, 2020, Respondent, via SERFF, filed a response to the Department's July 22nd Letter. Respondent answered Objections 6 & 7 contained in the letter by requesting a phone call with the Department. Respondent's responses did not include a note to the reviewer requesting a call.

k. On August 11, 2020, the Department, via SERFF, filed three Objection Letters ("August 11th Letters") to Respondent's PY 2021 Forms filing.

l. On August 18, 2020, Respondent, via SERFF, filed three separate responses to the Department's August 11th Letters. In each filed response, Respondent's response to Objection 3 was to request a phone call with the Department. Respondent's responses did not include a note to the reviewer requesting a call.

m. On August 12, 2020, the Department, via SERFF, filed an Objection Letter ("August 12th Letter") to Respondent's PY 2021 Forms filing.

n. On August 26, 2020, Respondent, via SERFF, filed a response to the Department's August 12th Letter. In response to Objection 4 in the letter, Respondent requested an extension to address the Department's objection. Respondent's response did not include a note to the reviewer requesting an extension.

o. On August 13, 2020, the Department, via SERFF, filed an Objection Letter ("August 13th Letter") to Respondent's PY 2021 Forms filing.

p. On August 26, 2020, Respondent, via SERFF, filed a response to the Department's August 13th Letter. In response to Objection 4 in the letter, Respondent requested an extension to address the Department's objection. Respondent's response did not include a note to the reviewer requesting a call.

4. The above declared facts demonstrate that the following Utah insurance law was not complied with:

a. Utah Admin. Code R590-220-17(1), failing to respond appropriately to Filing Objection Letters.

5. Based on Utah Code § 31A-2-308, other similar enforcement cases, and prior warnings to Respondent to comply with the requirements of Utah Admin. Code R590-220-17(1), the proper forfeiture amount for this violation is \$1,750.00.

Signed on this 5th day of February, 2021, at Salt Lake City, Utah.

/s/ Karen Maybury
Karen Maybury, Market Conduct Examiner
Utah Insurance Department