



NEW YORK STATE
DEPARTMENT OF FINANCIAL SERVICES
25 BEAVER STREET
NEW YORK, NEW YORK 10004

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In the Matter of

**OXFORD HEALTH PLANS (NY), INC. and
OXFORD HEALTH INSURANCE, INC.,**

**STIPULATION
No. 2012-0154-S**

Respondents.
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WHEREAS, Respondent Oxford Health Plans (NY), Inc. is a domestic health maintenance organization authorized pursuant to Article 44 of the New York Public Health Law and Respondent Oxford Health Insurance, Inc. is a domestic accident and health insurance company authorized to do business in this state pursuant to Article 42 of the New York Insurance Law ("Insurance Law"); and

WHEREAS, an examination of Respondents conducted by the New York State Insurance Department for the period October 1, 2001 through December 31, 2008 revealed certain violations of the Insurance Law and/or Regulations regarding Respondents' obligations to its policyholders and claimants; and

WHEREAS, Respondents have been advised and are aware of their statutory right to notice and a hearing on any such violations; and

WHEREAS, Respondents wish to resolve this matter by entering into a Stipulation with the New York State Department of Financial Services ("Department") on the terms and conditions hereinafter set forth in lieu of proceeding with a hearing; **NOW THEREFORE**,

IT IS HEREBY STIPULATED AND AGREED by and between the Respondents and the Department, subject to the approval of the Superintendent of Financial Services, as follows:

1. Respondents waive their right to further notice and a hearing in this matter and admit that during October 1, 2001 through December 31, 2008, they violated the following provisions of the Insurance Law and/or Regulations:

- (a) Section 3234(a), by failing to send explanation of benefits statements ("EOBs") for certain claims that were denied in full or in part;
- (b) Section 3234(b)(6), by issuing EOBs, in certain instances, that failed to contain a specific explanation of any denial, reduction, or other reason, including any other third-party payor coverage, for not providing full reimbursement for the amount claimed;
- (c) Sections 4903(b), (c), (e), and (e)(1), by failing, in certain instances, to timely make utilization review determinations;
- (d) Section 4903(e), by failing, in certain instances, to provide required information in notice of adverse determination letters; and
- (e) Section 310(a)(3), by failing, in certain instances, to facilitate the examination and aid the examiners in conducting the same so far as it was in their power to do so.

2. Respondents state in mitigation that the above violations were not the result of any conscious company policy to evade the requirements of the Insurance Law and Regulations.

3. In consequence of the foregoing, Respondent Oxford Health Plans (NY), Inc. consents to the imposition of a civil penalty in the amount of Two Hundred Thirty-Six Thousand Six Hundred Dollars (\$236,600.00), and Oxford Health Insurance, Inc. consents to the imposition of a civil penalty in the amount of Four Hundred Twenty-Eight Thousand Four Hundred Dollars (\$428,400.00), for a total penalty of Six Hundred Sixty-Five Thousand Dollars (\$665,000.00), receipt of which is hereby acknowledged, in lieu of any other disciplinary action which could be taken by the Department in consequence of the foregoing.

4. Respondents shall develop and submit to the Department a corrective action plan for improving compliance in connection with the specific recommendations noted in the Market Conduct Report on Examination as of December 31, 2008 within 60 days of the approval date of this Stipulation. The corrective action plan will address the following items:

- (a) Procedures with respect to issuing EOBs in all instances required by Section 3234(a) of the Insurance Law;
- (b) Explanations that are provided on EOBs to ensure compliance with Section 3234(b)(6) of the Insurance Law;
- (c) Procedures to ensure compliance with the pertinent Sections of Article 49 of the Insurance Law;

5. Respondents shall submit an affidavit of compliance with paragraph 4 by an officer with personal knowledge together with copies of revised procedures and updated EOB language to the Department within 150 days of the approval of this Stipulation.

STATE OF *New York*)
) ss.:
COUNTY OF *New York*)

On the *10th* day of *August* 2012, before me personally came *William J. Golden*, to me known, who, being duly sworn, did depose and say that he/she resides at *Northport, NY*; that he/she is the *President* of Oxford Health Insurance, Inc., the corporation described in and which executed the foregoing instrument; and he/she signed his/her name thereto by order of the board of directors of the corporation.

ANITA M. ACOSTA
Notary Public, State of New York
No.01AC6241230
Qualified in Kings County
Commission Expires May 9, 2015

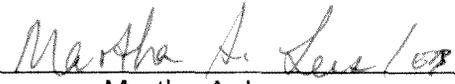


Notary Public

THE FOREGOING STIPULATION IS HEREBY APPROVED.

Dated: New York, New York
AUG. 13, 2012

BENJAMIN M. LAWSKY
Superintendent of Financial Services

By: 

Martha A. Lees
Deputy Superintendent & General Counsel-Insurance