



STATE OF CONNECTICUT

INSURANCE DEPARTMENT

Market Conduct Report

of

EmblemHealth Services Company, LLC

January 28, 2025

From September 13, 2024 through December 11, 2024, the Market Conduct Division of the Connecticut Insurance Department examined the utilization review practices of EmblemHealth Services Company, LLC (the Company), using a sample period of February 15, 2022 through December 31, 2022. The examination was limited to Connecticut enrollees.

EmblemHealth Services Company, LLC has its home office in the State of New York and is licensed as a utilization review entity in the State of Connecticut under license number 200001341. By authority granted under §38a-591 of the Connecticut General Statutes, this examination was conducted by Market Conduct examiners of the State of Connecticut Insurance Department (the Department) at the Department's offices in Hartford, Connecticut.

The purpose of the examination was to evaluate the Company's utilization review practices in the State of Connecticut. From a listing of utilization reviews performed by the Company, the examiners reviewed two hundred ninety-one (291) sample files, which included complaints and approved, denied and appeal certifications during the examination period.

The Department's findings are as follows:

- The examiners verified that one (1) determination not to certify care failed to provide the information in order to access the MCG criteria of such health carrier's Internet web site in order to access the clinical criteria online.
- The examiners verified that forty-four (44) determinations to certify care were issued using a template letter that had been approved by the Department but failed to be implemented in a timely basis by the entity licensed by the Insurance Commissioner.
- The examiners verified that fifty-two (52) determinations not to certify care were issued using a template letter that had been approved by the Department but failed to be implemented in a timely basis by the entity licensed by the Insurance Commissioner.
- The examiners verified that three (3) appeal determinations were issued with a template letter that failed to be submitted for review by the entity licensed by the Insurance Commissioner.

www.ct.gov/cid

P.O. Box 816 Hartford, CT 06142-0816

Affirmative Action/Equal Employment Opportunity Employer

It is recommended that the Company review its policies and procedures to ensure that applicable information be contained within the determinations not to certify care in order to access the clinical criteria online, and include implementation of the determination letters approved by the Insurance Commissioner, as required by statute.

It is further recommended that the Company monitor its turnover rate of appeals as the Department took note of a high appeal turnover rate upon review of the appeal files. As documented by exception reports, not all files required additional information in order to be overturned.



STATE OF CONNECTICUT

INSURANCE DEPARTMENT

-----X
 IN THE MATTER OF : DOCKET MC 24-165
 EmblemHealth Services Company, LLC :
 -----X

STIPULATION AND CONSENT ORDER

It is hereby stipulated and agreed between EmblemHealth Services Company, LLC and the State of Connecticut Insurance Department by and through Andrew N. Mais, Insurance Commissioner (“Insurance Commissioner”) to wit:

I

WHEREAS, pursuant to a market conduct examination, the Insurance Commissioner alleges the following with respect to EmblemHealth Services Company, LLC:

1. EmblemHealth Services Company, LLC, hereinafter referred to as Respondent, is domiciled in the State of New York and is licensed to transact the business of a utilization review entity in the State of Connecticut under license number 200001341.
2. From September 13, 2024 through December 11, 2024, the Department conducted an examination of Respondent’s utilization review practices in the State of Connecticut covering the period from February 15, 2022 through December 31, 2022.
3. During the period under examination, Respondent failed to follow established practices and procedures to ensure compliance in all instances with statutory requirements for:
 - a. providing adequate information in the determination letters for the website to be reviewed;
 - b. using a determination letter of the entity licensed by the Insurance Commissioner.
4. The conduct as described above violates §38a-591b and §38a-591d of the Connecticut General Statutes, and §38a-591-8 of the Regulations of Connecticut State Agencies and constitutes cause for the imposition of a fine or other administrative penalty under §38a-591k of the Connecticut General Statutes.

II

1. WHEREAS, Respondent admits to the allegations contained in paragraphs three and four of Article I of this Stipulation; and
2. WHEREAS, Respondent agrees to review its utilization review practices and procedures and correct those identified as concerns during the market conduct examination, as described in the Examination of Utilization Review Practices Report and this Stipulation, and bring them into immediate compliance with Connecticut Statutes; and
3. WHEREAS, Respondent agrees to provide the Insurance Commissioner with a full report of finding and a summary of actions taken to comply with the requirements of paragraph two of this section within ninety (90) days of the date of this document; and
4. WHEREAS, Respondent, being desirous of terminating this proceeding without the necessity of a formal proceeding or further litigation, does consent to the making of this Final Order and voluntarily waives:
 - a. any right to a hearing; and
 - b. any requirement that the Insurance Commissioner's decision contain a statement of findings of fact and conclusion of law; and
 - c. any and all rights to object to or challenge before the Insurance Commissioner or in any judicial proceeding any aspect, provision or requirement of this Stipulation.
5. WHEREAS, Respondent agrees to pay a fine in the amount of \$10,000.00 for the violations described herein.

NOW THEREFORE, upon the consent of the parties, it is hereby ordered and adjudged:

1. That the Insurance Commissioner has jurisdiction of the subject matter of this administrative proceeding.
2. That Respondent is fined the sum of Ten Thousand Dollars (\$10,000.00) for the violations herein above described.

EMBLEMHEALTH SERVICES COMPANY, LLC

BY: 
(Representative of Utilization Review Entity)

CERTIFICATION

The undersigned deposes and says that he/she has duly executed this Stipulation and Consent Order on this 25th day of February, 2025 for and on behalf of EmblemHealth Services Company, LLC that he/she is the Chief Compliance Officer of such company, and he/she has authority to execute and file such instrument.

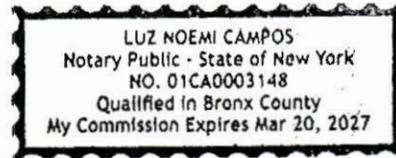
BY: 

State of New York

County of New York

Personally appeared on this 25th day of February, 2025, Debra Lighter signer and sealer of the foregoing Stipulation and Consent Order, acknowledged same to be his/her free act and deed before me.


Notary Public/Commissioner of the Superior Court



Section Below To Be Completed by State of Connecticut Insurance Department

Dated at Hartford, Connecticut this 4th day of March 2025.


Andrew N. Mais
Insurance Commissioner