



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

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In the Matter of

EXCELLUS HEALTH PLAN, INC.,

STIPULATION
No. 2012-0047-S

Respondent.

----- X

WHEREAS, Respondent Excellus Health Plan, Inc. is a domestic non-profit health service corporation authorized pursuant to Article 43 of the New York Insurance Law ("Insurance Law"); and

WHEREAS, a market conduct examination of Respondent conducted by the New York State Insurance Department for the period October 10, 2003 through December 31, 2007 revealed certain violations of the Insurance Law and/or Regulations; and

WHEREAS, Respondent has been advised and is aware of its right to notice and a hearing on said violations; and

WHEREAS, Respondent wishes 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 Respondent and the Department, subject to the approval of the Superintendent of Financial Services, as follows:

1. Respondent waives its right to further notice and hearing in this matter and admits, solely for purposes of this proceeding, that during the period October 10, 2003 through December 31, 2007, it violated the following provisions of the Insurance Law:

(a) Section 3234(a), by failing to send explanation of benefits statements to members who had submitted claims involving the purchase of pharmaceutical

drugs where the member had contributed to the cost of the drug through either co-insurance or a deductible;

(b) Section 3234(b), by sending explanation of benefits statements in certain instances that did not contain all of the required information to members;

(c) Section 4303(a)(2), by denying coverage in certain instances for emergency treatment;

(d) Sections 307(a) and 308(b), by failing to include claims data for the period ending December 31, 2007 within its filed December 31, 2007 Schedule H.

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

3. In lieu of any other disciplinary action which could be taken by the Department in consequence of the foregoing, Respondent consents to the imposition of a civil penalty in the sum of Nine Hundred Ninety-Five Thousand Dollars (\$995,000.00), receipt of which is hereby acknowledged.

4. Respondent agrees to take all steps necessary to prevent the recurrence of similar violations in the future.

5. Respondent acknowledges that this Stipulation, and any admission contained herein, may be used against it in any future proceeding if there is reason to believe the terms of the Stipulation have been violated by Respondent, or if the Department institutes disciplinary action against Respondent for any reason other than the specific acts considered herein.

Dated: New York, New York
March 9, 2012

NEW YORK STATE DEPARTMENT OF FINANCIAL SERVICES

By: 
Beth Cohen
Associate Attorney

EXCELLUS HEALTH PLAN, INC.

By: Stephen R. Sloan
Name: Stephen R. Sloan
Title: Chief Administrative Officer

STATE OF NEW YORK)
)ss.:
COUNTY OF MONROE)

On the 5th day of MARCH 2012, before me personally came STEPHAN R SLOAN, to me known, who, being duly sworn, did depose and say that he/she resides at PITTSFORD, NY; that he/she is the CHIEF ADMINISTRATIVE OFFICER Excellus Health Plan, 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.

AMY M. REYNOLDS
NOTARY PUBLIC - STATE OF NEW YORK
No. 01RE6180248
Qualified in Monroe County
My Commission Expires 1/7/2016

Amy M Reynolds
Notary Public

THE FOREGOING STIPULATION IS HEREBY APPROVED.

Dated: New York, NY
March 13 2012

BENJAMIN M. LAWSKY
Superintendent of Financial Services

By: Martha A. Lees
Martha A. Lees
Deputy Superintendent & General Counsel-Insurance

THIS DOCUMENT HAS A VOID PANTOGRAPH, MICROPRINTING AND AN ARTIFICIAL WATERMARK.

Excelsus Health Plan, Inc.
165 Court Street
Rochester, NY 14647

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Check Number: 49303293
Check Date: 02/28/12

JP Morgan Chase Bank, N.A.
Syracuse, NY 13206

| |
|---------------------|
| CHECK AMOUNT |
| \$995,000.00 |

PAY

***Nine Hundred Ninety Five Thousand Dollars Only

To
The
Order
Of

NYS DEPARTMENT OF FINANCIAL SERVICES
25 BEAVER STREET
NEW YORK, NY 10004

James C. Harju

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