



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

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In the Matter of

**HEALTH INSURANCE PLAN OF
GREATER NEW YORK and HIP INSURANCE
COMPANY OF NEW YORK,**

**STIPULATION
No. 2011-0256-S**

Respondents.

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WHEREAS, Respondent Health Insurance Plan of Greater New York is a domestic health service corporation authorized pursuant to Article 43 of the New York Insurance Law ("Insurance Law") and HIP Insurance Company of New York is a domestic accident and health insurance company authorized to do business in this state pursuant to the provisions of the Insurance Law; and

WHEREAS, an examination of Respondents conducted by the New York State Insurance Department for the period January, 2008 through December, 2009, revealed certain violations of the Insurance Law and/or Department Regulations regarding insurers' obligations to notify contract holders of the availability of certain mental health benefits under "Timothy's Law" (Chapter 748 of the Laws of 2006, as amended by Chapter 502 of the Laws of 2007); 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 calendar years 2008 and 2009, Respondent Health Insurance Plan of Greater New York violated Sections 4303(g)(4)(A) and 4303(h)(4)(A) of the Insurance Law, and Respondent HIP Insurance Company of New York violated Section 3221(1)(5)(D)(i) of the Insurance Law, by failing to provide written notice to their group

contract holders of the availability of coverage for adults and children with biologically based mental illness and for children with serious emotional disturbances.

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

3. Respondent Health Insurance Plan of Greater New York consents to the imposition of a civil penalty in the amount of One Hundred Five Thousand Eight Hundred and Ninety Dollars (\$105,890.00) and Respondent HIP Insurance Company of New York consents to the imposition of a civil penalty in the amount of Eighty-One Thousand Six Hundred and Eighty Dollars (\$81,680.00), for a total penalty of One Hundred Eighty-Seven Thousand Five Hundred Seventy Dollars (\$187,570.00), 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 agree to take all additional steps necessary to prevent the recurrence of similar violations in the future.

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

Dated: New York, New York

Dec. 1, 2011

NEW YORK STATE DEPARTMENT OF FINANCIAL SERVICES

By: Beth Cohen
Beth Cohen
Associate Attorney

HEALTH INSURANCE PLAN OF GREATER NEW YORK

By: Nicholas Sambolis
Name: NICHOLAS SAMBOLIS
Title: DEPUTY GENERAL COUNSEL & V.P.

HIP INSURANCE COMPANY OF NEW YORK

By: Nicholas Sambolis
Name: NICHOLAS SAMBOLIS
Title: DEPUTY GENERAL COUNSEL & VP

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

On the 16 day of November 2011, before me personally came Nicholas P. Kambalis to me known, who, being duly sworn, did depose and say that he/she resides at 770 Emblem Hill, 55 Water Street, New York, NY that he/she is the V.P. and Deputy General Counsel of Health Insurance Plan of Greater New York, 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.

Lorraine Franks

Notary Public
LORRAINE FRANKS
Notary Public, State of New York
No. 01FR6087516
Qualified in Bronx County
Commission Expires Feb. 18, 20 15

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

On the _____ day of _____ 2011, before me personally came _____ to me known, who, being duly sworn, did depose and say that he/she resides at _____; that he/she is the V.P. and Deputy General Counsel of HIP Insurance Company of New York, 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.

Lorraine Franks

LORRAINE FRANKS
Notary Public, State of New York
No. 01FR6087516
Qualified in Bronx County
Commission Expires Feb. 18, 20 15

Notary Public

THE FOREGOING STIPULATION IS HEREBY APPROVED.

Dated: New York, New York
December 2, 2011

BENJAMIN M. LAWSKY
Superintendent of Financial Services

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