



NEW YORK STATE DEPARTMENT OF FINANCIAL SERVICES

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In the Matter of

MVP HEALTH PLAN, INC. and

No. 2017-0090-S

MVP HEALTH INSURANCE COMPANY

Respondents.

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STIPULATION & CONSENT ORDER

WHEREAS, the Department of Financial Services (the “Department”) conducted a Market Conduct Examination (the “Examination”) of the affairs of **MVP HEALTH PLAN, INC.** and **MVP HEALTH INSURANCE COMPANY** (hereinafter collectively “Respondents”) for the period from January 1, 2011 through December 31, 2013 and issued its Report on the Examination dated August 30, 2016.

WHEREAS, this Stipulation & Consent Order contains the Department’s findings and the relief agreed to by the Department and Respondents.

NOW, THEREFORE, the Department and Respondents are willing to resolve the matters cited herein in lieu of proceeding by notice and hearing.

Findings

1. MVP Health Plan, Inc., is a domestic not-for-profit health maintenance organization licensed pursuant to Article 44 of the New York Public Health Law; and MVP Health Insurance Company is a for-profit accident and health stock company licensed pursuant to the provisions of Article 42 of the New York Insurance Law.
2. Respondents, for the time period January 1, 2011 through December 31, 2013:
 - Did not comply with Sections 3216(i)(17) and 3221(1)(8)(D) and (E) of the New York Insurance Law, 42 U.S.C. § 300gg-13 and 45 C.F.R. § 147.130 when cost sharing was incorrectly applied or claims were incorrectly denied for preventive services.
3. Respondents' violations during the aforementioned time period contravened New York Insurance Law and Regulations.

Violations

4. By reason of the foregoing, as reflected in the Department's Report on the Examination, Respondents did not comply with: Sections 3216(i)(17) and 3221(1)(8)(D) & (E) of the New York Insurance Law, 42 U.S.C. § 300gg-13 and 45 C.F.R. § 147.130.

Agreement

IT IS HEREBY UNDERSTOOD AND AGREED by Respondents, its successors and assigns (on behalf of its agents, representatives, employees, parent company, holding company, and any corporation, subsidiary or division through which Respondents operate) that:

5. Respondents will correct the violations cited herein, including but not limited to, making restitution to all policyholders, including where applicable, paying interest in accordance with Section 3224-a(c) of the New York Insurance Law; updating their claims payment system; training their staff claims examiners on the appropriate procedures for the claims adjudication of manually submitted claims; and provide communications to the participating providers regarding ACA mandates; and demonstrating to the Department's

satisfaction that they have taken the necessary corrective action(s) within ninety (90) days from the date of Respondents' signing of this Stipulation & Consent Order. Respondents will also take all necessary steps to comply with the New York Insurance Law and Regulations with respect to its insurance products in the future.

Penalty

6. Within seven (7) days of the execution of this Stipulation & Consent Order, Respondents shall pay a civil penalty of Two Hundred Thousand Dollars (\$200,000.00). Respondents agree that it will not claim, assert, or apply for a tax deduction or tax credit with regard to any U.S. federal, state or local tax, directly or indirectly, for any portion of the civil monetary penalty paid pursuant to this Stipulation & Consent Order.
7. The above referenced payment shall be payable to the New York State Department of Financial Services account at JPMorgan Chase Bank, N.A. via electronic transfer in accordance with the Department's instructions.

Breach of the Stipulation & Consent Order

8. In the event that the Department believes that Respondents have breached this Stipulation & Consent Order, the Department will provide written notice of such breach to Respondents and Respondents must, within ten (10) business days from the date of receipt of said notice, or on a later date if so determined in the sole discretion of the Superintendent, appear before the Department and have an opportunity to rebut the evidence, if any, on the issue of whether a breach has occurred and, to the extent pertinent, to demonstrate that any such breach is not material or has been cured.
9. The Department and Respondents understand and agree that Respondents' failure to appear before the Department to make the required demonstration within the period set forth in Paragraph 8 of this Stipulation & Consent Order is presumptive evidence of Respondents' breach. Upon a finding of breach, the Department has all the remedies available to it under

New York law and may use any and all evidence available in connection with all ensuing hearings, notices, orders and other remedies that are available.

Other Provisions

10. If Respondents default on the payment of its monetary obligations under this Stipulation & Consent Order, the Department may terminate the Stipulation & Consent Order at its sole discretion, upon ten (10) days' written notice to Respondents. In the event of such termination, Respondents expressly agree and acknowledge that this Stipulation & Consent Order shall in no way bar or otherwise preclude the Department from commencing, conducting, or prosecuting any investigation, action, or proceeding against Respondents, however denominated, related to the subject matter of this Stipulation & Consent Order, or from using in any way the statements, documents, or other materials produced or provided by Respondents prior to or after the date of this Stipulation & Consent Order, except as may otherwise be provided in a written agreement with the Department.
11. The Department has agreed to the terms of this Stipulation & Consent Order based on, among other things, representations made to the Department by Respondents. To the extent that representations made by Respondents are later found to be materially incomplete or inaccurate, this Stipulation & Consent Order is voidable by the Superintendent in his or her sole discretion.
12. Upon request by the Department, Respondents shall provide all non-privileged documentation and information reasonably necessary for the Department to verify compliance with this Stipulation & Consent Order.
13. All notices, reports, requests and other communications to any party pursuant to this Stipulation & Consent Order shall be in writing and shall be directed as follows:

If to the Department:

New York State Department of Financial Services
One State Street, 19th Floor
New York, NY 10004-1511
Attention: Scott Fischer, Executive Deputy Superintendent for Insurance

If to the Respondents:

MVP Health Care, Inc.

625 State Street

Schenectady, NY

Attention: Emily H. Titsworth,

Vice President of Legal Affairs and Deputy General Counsel

14. This Stipulation & Consent Order and any dispute thereunder shall be governed by the laws of the State of New York without regard to any conflicts of laws principles.
15. This Stipulation & Consent Order may not be amended except by an instrument in writing signed on behalf of both of the parties to this Stipulation & Consent Order.
16. Respondents agree that no provision of the Stipulation & Consent Order is subject to review in any court or tribunal outside the Department.
17. In the event that one or more provisions contained in this Stipulation & Consent Order shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Stipulation & Consent Order.
18. This Stipulation & Consent Order may be executed in one or more counterparts, and shall become effective when such counterparts have been signed by each of the parties hereto or their designee and approved by the Superintendent of Financial Services.
19. This Stipulation & Consent Order constitutes the entire agreement between the Department and Respondents and supersedes any prior communication, understanding, or agreement, whether written or oral, concerning the subject matter of this Stipulation & Consent Order. No inducement, promise, understanding, condition, or warranty not set forth in this Stipulation & Consent Order has been relied upon by any party to this Stipulation & Consent Order.

MVP HEALTH PLAN, INC.
MVP HEALTH INSURANCE COMPANY

By:  Dated: 7/21/17

NEW YORK STATE DEPARTMENT OF FINANCIAL SERVICES

By:  Dated: 8/3/17

Scott Fischer
Executive Deputy Superintendent for Insurance

THE FOREGOING CONSENT ORDER IS HEREBY APPROVED.

By:  Dated: 8/22/17

Maria T. Vullo
Superintendent of Financial Services