

STATE CORPORATION COMMISSION

AT RICHMOND, APRIL 9, 2003

COMMONWEALTH OF VIRGINIA

At the relation of the

STATE CORPORATION COMMISSION

v.

CASE NO. INS-2003-00044

CIGNA HEALTHCARE OF  
VIRGINIA, INC.,

Defendant

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DOCUMENT CONTROL

SETTLEMENT ORDER

Based on a target market conduct examination performed by the Bureau of Insurance, it appears that Defendant, duly licensed by the Commission to transact the business of a health maintenance organization in the Commonwealth of Virginia, in certain instances, violated §§ 38.2-510 A 15, 38.2-3407.15 B 1, 38.2-3407.15 B 2, 38.2-3407.15 B 3, 38.2-3407.15 B 4, 38.2-3407.15 B 5, 38.2-3407.15 B 6, 38.2-3407.15 B 7, 38.2-3407.15 B 8, 38.2-3407.15 B 9, and 38.2-3407.15 C of the Code of Virginia.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-4316 of the Code of Virginia to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke Defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that Defendant has committed the aforesaid alleged violations.

Defendant has been advised of its right to a hearing in this matter, whereupon Defendant has made an offer of settlement to the Commission wherein Defendant has tendered to the

Commonwealth of Virginia the sum of thirty-one thousand dollars (\$31,000) and waived its right to a hearing.

The Bureau of Insurance has recommended that the Commission accept the offer of settlement of Defendant pursuant to the authority granted the Commission in § 12.1-15 of the Code of Virginia.

THE COMMISSION, having considered the record herein, the offer of settlement of Defendant, and the recommendation of the Bureau of Insurance, is of the opinion that Defendant's offer should be accepted.

IT IS THEREFORE ORDERED THAT:

(1) The offer of Defendant in settlement of the matter set forth herein be, and it is hereby, accepted; and

(2) The papers herein be placed in the file for ended causes.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to Christina N. Hall, Assistant Director, Market Conduct Examinations, CIGNA Healthcare of Virginia, Inc., 900 Cottage Grove Road, Hartford, Connecticut 06152-1038; and the Bureau of Insurance in care of Deputy Commissioner Gerald A. Milsky.