FINDINGS OF FACT

(1) UnitedHealthcare of Wisconsin, Inc. ("Respondent"), 10701 W. Research Drive, WI 53226, at all material time periods was authorized to do business by the Commissioner and subject to the jurisdiction and control of the Commissioner.

(2) A report of the market conduct examination of the Respondent dated April 15, 2004 recommended the Respondent revise the manner in which it maintains a record of complaints so that it can retrieve complaint information related to Wisconsin insureds for review by OCI. An Order dated November 9, 2005, ordered the Respondent to comply with the recommendation. The Respondent failed to comply with the Order as evidenced by the fact that the 2008 Market conduct examination, adopted July 12, 2010, found that for the period January 1, 2006 through December 31, 2007, the Respondent failed to revise the manner in which it maintained a record of complaints so that it could retrieve complaint information related to Wisconsin insureds for review by OCI.

(3) A report of the market conduct examination of the Respondent dated April 14, 2004 recommended that the Respondent revise the definition of "complaint" in its written procedures and to handle as grievances all written communications that meet the definition of "grievance." An Order dated November 9, 2005, ordered the Respondent to comply with the recommendation. The Respondent failed to comply with the Order as evidenced by the fact that the 2008 Market conduct examination, adopted July 12, 2010, found that for the period January 1, 2006 through December 31, 2007, the Respondent failed to revise the definition of "complaint" in its written procedures and to handle as grievance all written communications that met the definition of "grievance."

(4) A report of the market conduct examination of the Respondent dated April 15, 2004 recommended the Respondent modify the external review provisions in its policy to include an explanation of how to obtain a current listing of independent review organizations ("IRO"). An Order dated November 9, 2005, ordered the Respondent to comply with the recommendation. The Respondent failed to comply with the Order as evidenced by the fact that the 2008 Market conduct examination, adopted July 12, 2010, found that for the period January 1, 2006 through December 31, 2007, the Respondent failed to modify the external review provisions in its policy to include an explanation of how to obtain a current listing of IROs.

(5) A report of the market conduct examination of the Respondent dated April 15, 2004 recommended the Respondent revise its procedures to record the dates on which it receives a request for a small employer health plan price quote. An Order dated November 9, 2005, ordered the Respondent to comply with the recommendation. The Respondent failed to comply with the Order as evidenced by the fact that the 2008 Market conduct examination, adopted July 12, 2010, found that for the period January 1, 2006 through December 31, 2007, the Respondent failed to revise its procedures to record the dates on which it received a request for a small employer health plan price quote.
(6) During the April 14, 2008 to May 2, 2008, market conduct examination of the respondent, examiners found 22 agents who were not appointed with the Respondent at the time the Respondent accepted the application for insurance.

(7) During the April 14, 2008 to May 2, 2008, market conduct examination of the respondent, examiners identified 2 agents who were paid commissions but who were not Wisconsin licensed insurance agents.

(8) During the April 14, 2008 to May 2, 2008, market conduct examination of the respondent, examiners requested company data regarding enrollment applications for its Medicare Advantage and PDP plans in order to conduct a data match with the OCI agent database. The OCI was not able to document 141 agents taking electronic applications from Wisconsin Medicare beneficiaries were licensed at the time enrollment applications were taken due to the fact the applications were listed by agency not agent name.

(9) During the April 14, 2008 to May 2, 2008 market conduct examination of the respondent, examiners found 83 agents who were listed as active in the company’s agent database but did not have a Wisconsin license or appointment with the company.

CONCLUSIONS OF LAW

(10) The acts described in paragraph (2) violate s. Ins 18.06 (1), Wis. Adm. Code.

(11) The acts described in paragraph (3) violate s. Ins 18.03 (1) (c), Wis. Adm. Code and s. 632.83 (2) (a), Wis. Stats.

(12) The acts described in paragraph (4) violate s. 632.835 (2) (bg), Wis. Stats.

(13) The acts described in paragraph (5) violate s. Ins 8.56 (2).

(14) The acts described in paragraph (6), (7), and (8) violate s. Ins 6.57 (5) Wis. Adm. Code.

(15) The acts described in paragraph (7) and (8) violate s. 628.03 (1) Wis. Stats.


(17) The acts described in paragraph (9) violate s. Ins 6.57 (2), Wis. Adm. Code.

(18) The acts described in paragraphs (2), (3), (4), and (5) violate s. 601.64 (3) (b), Wis. Stats.
ORDER

(19) Pursuant to s. 601.64, Wis. Stat., I order the Respondent to pay a forfeiture of fifty-four thousand dollars ($54,000.00), payable to the state of Wisconsin on or before August 10, 2012.

(20) Further, I order the Respondent, pursuant to s. 601.41, Wis. Stat., to comply with prior the Compliance Orders.

Dated at Madison, Wisconsin, on July 6, 2012.

[Signature]
Susan Ezalarab, CIE, CPCU, FLMI
Director, Bureau of Market Regulation