

**STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
INSURANCE DIVISION**

In the Matter of **Providence Health Plan**) **STIPULATION** and
) **FINAL ORDER**
) Case No. INS 08-06-009

STIPULATION

The Director of the Oregon Department of Consumer and Business Services (director) commenced this administrative proceeding, pursuant to Oregon Revised Statutes (ORS) 731.256, to take enforcement action against Providence Health Plan (Providence).

Providence desires to conclude this proceeding without a hearing by entering into this stipulation pursuant to ORS 183.415(5).

Providence waives all rights relative to an administrative hearing and judicial review thereof.

Providence stipulates to the following facts, conclusions, action, and to the issuance of a final order incorporating this stipulation.

Facts and Conclusions

Licensing Information

Providence has been licensed in Oregon as a domestic health care service contractor since 9/5/84. Providence's last recorded principal business address is located in Beaverton, Oregon.

Failed to Timely Respond to Director's Inquiry

Providence is subject to enforcement action pursuant to ORS 731.296 because of the following circumstances. ORS 731.296 requires a person who is licensed in Oregon in any capacity under the Insurance Code to promptly and truthfully respond to an inquiry from the director. ORS 750.055(1)(a) makes ORS 731.296 applicable to health care service contractors like Providence. At all relevant times, a particular person who resided in Oregon was insured under a group health insurance policy issued by Providence. On 6/20/07, the person filed with the

Insurance Division a complaint about Providence. On 8/9/07, the Insurance Division mailed by first class mail a letter to Providence at its business mailing address of PO Box 4327, Portland, OR 97208-4327. The letter requested Providence provide certain information about the complaint, as well as certain information about Providence' claims for mental health and chemical dependency benefits required by ORS 743.556 and OAR 836-053-1404 *et seq* (hereinafter referred to as the claims information). The Insurance Division requested a response by 9/7/07. On 8/14/07, Providence received the letter. On 9/7/07, the Insurance Division received from Providence a letter dated 9/5/07 but it did not provide the claims information. On 9/12/07, the Insurance Division mailed by first class a follow up letter to Providence again requesting the claims information. On 9/14/07, Providence received the follow up letter. On 10/9/07, the Insurance Division received from Providence a letter dated 10/9/07 but it did not provide the claims information. On 11/15/07, the Insurance Division mailed by first class another follow up letter to Providence again requesting the claims information. On 11/20/07, Providence received the follow up letter. On or about 12/7/07, the Insurance Division received from Providence a letter dated 12/7/07 but it did not provide the claims information. On 12/10/07, the Insurance Division sent by e-mail another follow up letter to Providence again requesting the claims information. On 12/10/07, Providence received the follow up letter. On or about 1/7/08, 122 days late, the Insurance Division received from Providence a letter dated 1/7/08 which provided the claims information.

Action

Pursuant to ORS 731.988, Providence is assessed a civil penalty of \$2,000.00. The payment shall be made in the form of a check payable to the "Department of Consumer and Business Services" for the full amount due. The payment shall be delivered to the Insurance Division at the Labor and Industries Building, 350 Winter Street NE, Room 440 (4th Floor), Salem, Oregon; or mailed to the Insurance Division at PO Box 14480, Salem, OR 97309-0405. The payment shall be *received* by the Insurance Division by the date of the final order.

Dated July 22, 2008

/s/ Colleen Nelson

[Signature of Representative]

Colleen Nelson

[Printed Name of Representative]

Director of Compliance & Regulatory Affairs

[Printed Title of Representative]

Providence Health Plan

FINAL ORDER

The director incorporates herein the above stipulation, adopts it as the director's final decision in this proceeding, and orders that the action stated therein be taken.

Dated August 25, 2008

/s/ Cory Streisinger

Cory Streisinger

Director

Department of Consumer and Business Services

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