

No. 2020-6417

**Official Order
of the
Texas Commissioner of Insurance**

Date: 08/04/2020

Subject Considered:

Block Vision of Texas, Inc.
6300 Ridglea Place Ste 312
Fort Worth, Texas 76116

Consent Order
TDI Enforcement File No. 24689

General remarks and official action taken:

This is a consent order with Block Vision of Texas, Inc. (Block Vision) for multiple violations, including repeat violations found in a triennial quality of care examination. Block Vision was the subject of a previous consent order for violations found during a 2016 quality of care triennial examination and paid an administrative penalty of \$15,000. Block Vision's current triennial quality of care examination found similar violations. Block Vision has agreed to pay a \$50,000 administrative penalty.

Waiver

Block Vision acknowledges that the Texas Insurance Code and other applicable law provide certain rights. Block Vision waives all of these rights, and any other applicable procedural rights, in consideration of the entry of this consent order.

Findings of Fact

Licensure

1. The Texas Department of Insurance (TDI) issued Block Vision a single service health maintenance organization (HMO) license number 94596, effective June 18, 1996.

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2. TDI issued Block Vision a third-party administrator (TPA), license number 94596, effective February 23, 1998.

Prior Disciplinary History Related to the 2016 Triennial Quality of Care Examination

3. On August 14, 2017, the commissioner entered Official Order No. 2017-5183 against Block Vision. That order imposed a \$15,000 administrative penalty for violations found during TDI's 2016 triennial quality of care examination of Block Vision, for the period beginning May 7, 2013, and ending December 31, 2015.

2018 Triennial Quality of Care Examination

4. TDI conducted a triennial quality of care examination of Block Vision's commercial HMO business, for the period of January 1, 2016, through December 31, 2018.
5. On December 18, 2019, TDI held an exit conference call with Block Vision to discuss the examination findings.
6. The findings of the examination are in the Final Examination Report dated January 3, 2020, and included violations of the Texas Insurance Code and the Texas Administrative Code.

Claim File Review

7. TDI reviewed 30 claim files for statutory compliance.
8. In 14 instances, Block Vision failed to pay prompt penalties when claims were processed after applicable statutory claims payment periods. This was similar to issues TDI previously identified in the 2016 examination of Block Vision.
9. TDI found that Block Vision's Claim Impact Report showed that 651 claims were not paid in a timely manner. This was similar to issues TDI previously identified in the 2016 examination.

Complaint File Review

10. TDI reviewed six complaint files for statutory compliance.

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11. In six instances, Block Vision failed to:
 - a. include the description of Block Vision's complaint procedures and timeframes in its acknowledgment letter,
 - b. provide the member appeal rights in its complaint resolution letter, and
 - c. include a one-page complaint form that prominently and clearly stated that the form must be returned to Block Vision for prompt resolution of oral complaints.

Conclusions of Law

1. The commissioner has jurisdiction over this matter pursuant to TEX. INS. CODE §§ 82.051 – 82.055, 84.021 – 84.044, 342, 843.252, and 843.254; 28 TEX. ADMIN. CODE § 21.2815; and TEX. GOV'T CODE §§ 2001.051-2001.178.
2. The commissioner has the authority to informally dispose of this matter as set forth in TEX. GOV'T CODE § 2001.056; TEX. INS. CODE §§ 36.104 and 82.055; and 28 TEX. ADMIN. CODE § 1.47.
3. Block Vision has knowingly and voluntarily waived all procedural rights to which it may have been entitled regarding the entry of this order, including, but not limited to, issuance and service of notice of intention to institute disciplinary action, notice of hearing, a public hearing, a proposal for decision, rehearing by the commissioner, and judicial review.
4. Block Vision violated TEX. INS. CODE § 843.342(a)-(c) and 28 TEX. ADMIN. CODE § 21.2815(a)(1)-(a)(3) by failing to pay prompt pay penalties when the claims were processed after the statutory claims payment period.
5. Block Vision violated TEX. INS. CODE § 843.342 and 28 TEX. ADMIN. CODE §§ 21.2815 by failing to pay clean claims in a timely manner.
6. Block Vision violated TEX. INS. CODE §§ 843.252(b)(1) and 843.254 by failing to include a description of its complaint procedures and timeframes in its acknowledgment letters and failing to provide member appeal rights in its complaint resolution letters.

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7. Block Vision violated TEX. INS. CODE § 843.252(b)(2) by failing to include a one-page complaint form that prominently and clearly stated that the form must be returned to Block Vision for prompt resolution of oral complaints.

Order

It is ordered that Block Vision of Texas, Inc. pay an administrative penalty of \$50,000 within 30 days from the date of this order. The administrative penalty must be paid by cashier's check or money order made payable to the "State of Texas" and transmitted to the Texas Department of Insurance, Attn: Enforcement Division 60851, MC 9999, P.O. Box 149104, Austin, Texas 78714-9104.

It is also ordered that Block Vision of Texas, Inc. report to TDI on or before 30 days from the date of this order. The report will affirm that Block Vision of Texas, Inc. has fully implemented its post-exam corrective action plan. If Block Vision of Texas, Inc. has not yet fully implemented its post-exam corrective action plan, the report will detail how Block Vision of Texas, Inc. intends to fully implement its corrective action plan, resources dedicated to implementation, timelines, and a process for independent verification of objective progress to comply with Texas Law. The report must be sent to EnforcementReports@tdi.texas.gov.

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Kent C. Sullivan
Commissioner of Insurance

Recommended and reviewed by:



Leah Gillum, Deputy Commissioner
Enforcement Division



Sarah White, Staff Attorney
Enforcement Division

Affidavit

STATE OF South Carolina
COUNTY OF Spartanburg

Before me, the undersigned authority, personally appeared Lula Mae Richards who being by me duly sworn, deposed as follows:

"My name is Lula Richards. I am of sound mind, capable of making this statement, and have personal knowledge of these facts which are true and correct.

I hold the office of Chief Compliance Officer, and am the authorized representative of Block Vision of Texas, Inc. I am duly authorized by said organization to execute this statement.

Block Vision of Texas, Inc. has knowingly and voluntarily entered into the foregoing consent order and agrees with and consents to the issuance and service of the same by the commissioner of insurance of the state of Texas."

Lula Richards
Affiant

SWORN TO AND SUBSCRIBED before me on July 27th, 2020.

(NOTARY SEAL)



Danielle Gardner
Signature of Notary Public
Danielle Gardner
Printed Name of Notary Public