

No. **4053**

**OFFICIAL ORDER  
of the  
TEXAS COMMISSIONER OF INSURANCE**

**Date:** JUL 20 2015

**Subject Considered:**

INDEPENDENT REVIEW, INC.  
C/O HC Enterprise Technologies, Inc.  
185 N.E. Second Avenue  
Deerfield Beach, FL 33441

**DEFAULT ORDER**  
SOAH DOCKET NO. 454-15-4150.C  
TDI ENFORCEMENT CASE NO. 9243

**General remarks and official action taken:**

The commissioner of insurance considers disciplinary action against Independent Review, Inc. (IRI).

**Findings of Fact**

1. TDI issued IRI independent review organization (IRO) license no. 5055 effective December 15, 1999.
2. The last known address IRI filed with TDI was Mr. Willis Hale, CEO, Independent Review, Inc., C/O HC Enterprise Technologies, Inc., 185 N.E. Second Avenue, Deerfield Beach, Florida 33441.
3. On June 8, 2015, TDI sent a notice of hearing to IRI's last known address, as well as to 25 SE 8<sup>th</sup> Avenue, Deerfield Beach, Florida 33441, and via email to [willis@peerreviewboard.com](mailto:willis@peerreviewboard.com) and [willis01@earthlink.net](mailto:willis01@earthlink.net)
4. IRI failed to file a written response to the notice of hearing within 20 days of the date TDI mailed the notice of hearing.

**IRO Violations**

5. On April 3, 2003, TDI informed IRI that it had a pattern of failing to issue IRO decisions within the required time frames.

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## COMMISSIONER'S ORDER

Independent Review, Inc.

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6. On October 1, 2004, the commissioner entered official order no. 04-0968, which penalized IRI for: (1) improperly disposing of patient information and medical records, and (2) issuing untimely IRO decisions.
7. On April 27, 2010, the commissioner entered official order no. 10-0345, which penalized IRI for failing to: (1) comply with order no. 04-0968, (2) timely issue IRO decisions, and (3) maintain reasonable telephone access during normal business hours.
8. TDI assigned IRI eight IRO cases between January 1, 2015, and March 25, 2015. Of those cases, four, or 50 percent, were late:

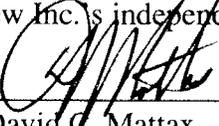
#	Case #	Patient	Assigned Date	Due Date	Days allowed	Days late
1	82972	JM	1-2-2015	1-22-2015	20	4
2	83793	TE	1-8-2015	1-28-2015	20	5
3	88566	RL	2-27-2015	3-19-2015	20	Reassigned
4	89306	CT	3-5-2015	3-25-2015	20	6

9. On March 19, 2015, IRI's decision in IRO case #88566 was due.
10. On March 22, 2015, the Managed Care Quality Assurance (MCQA) office faxed a letter to IRI informing it that it failed to meet the deadline for issuing the decision in the above-referenced case. The letter also asked IRI to immediately provide the MCQA office with an explanation for failing to meet the deadline and the date on which IRI would send the decision to all the involved parties.
11. On March 26, 2015, MCQA called IRI and left a message requesting a reply. IRI did not reply to MCQA's message.
12. On March 27, 2015, Susan Carlson sent a letter notifying TDI that she was resigning from IRI effective April 15, 2015. She advised TDI to direct any questions or comments to Willis Hale, CEO of Independent Review, Inc.
13. On March 30, 2015, MCQA emailed IRI. IRI did not respond to MCQA.
14. On April 2, 2015, MCQA sent IRI an email to inquire about the status of IRO case #88566. Susan Carlson responded that her records showed that case #88566 was canceled. She mistakenly put it in her canceled folder.
15. On April 2, 2015, MCQA sent a letter to Willis Hale to request an updated contact person for IRI IRO assignments. The letter informed Mr. Hale that IRI failed to issue a decision for case #88566, which was due March 19, 2015. Neither Mr. Hale nor IRI responded to MCQA.
16. On April 9, 2015, TDI informed IRI that it was reassigning case #88566 to another IRO.

**Conclusions of Law**

1. The commissioner has jurisdiction pursuant to TEX. INS. CODE §§ 82.051-82.055, 4202.002, 4202.003, and 4202.007; 28 TEX. ADMIN. CODE §§ 12.206, 12.207, 12.301, 12.302, and 12.303; and TEX. GOV'T CODE §§ 2001.051-2001.178.
2. TEX. GOV'T CODE § 2001.056; TEX. INS. CODE § 82.055; and 28 TEX. ADMIN. CODE §§ 1.47, 1.88, and 1.89 give the commissioner authority to informally dispose of this case.
3. Based on 28 TEX. ADMIN. CODE § 19.906, IRI's last known address is presumed to be Mr. Willis Hale, CEO, Independent Review, Inc., C/O HC Enterprise Technologies, Inc., 185 N.E. Second Avenue, Deerfield Beach, Florida 33441.
4. TDI sent a notice of hearing to IRI's last known address as required by 28 TEX. ADMIN. CODE §§ 1.28(c) and 1.88(c), 1 TEX. ADMIN. CODE § 155.401, and TEX. GOV'T CODE Ch. 2001.
5. The allegations in the notice of hearing, set out as findings of fact nos. 5-16, are deemed admitted as true pursuant to 28 TEX. ADMIN. CODE § 1.89.
6. IRI violated TEX. INS. CODE § 4202.003(2) and 28 TEX. ADMIN. CODE § 12.206(b) when it failed to make its determinations for a condition other than a life-threatening condition, not later than the earlier of:
  - a. The 15<sup>th</sup> day after the date the organization receives the information necessary to make the determination; or
  - b. The 20<sup>th</sup> day after the date the organization receives the request that the determination be made.
7. IRI violated 28 TEX. ADMIN. CODE § 12.207 because it failed to have:
  - a. Appropriate personnel reasonably available by telephone at least 40 hours per week during normal business hours in both time zones in Texas; and
  - b. A telephone system capable of accepting or recording or providing instructions to incoming calls related to utilization review during other than normal business hours and to respond to such calls not later than one working day from the date the call was received.

The commissioner revokes Independent Review Inc.'s independent review organization license.

  
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David C. Mattax  
Commissioner of Insurance



# 4053

Texas Dept of Insurance  
 Mail Code 110  
 333 Guadalupe  
 Austin TX 78701  
 June 8, 2015  
 Judy Lopez

Ricketts	Ricketts	Ricketts	Check type of mail or service		Postage		Handling Charge		Actual Value		Insured Value		Due Sender		DC Fee		SC Fee		SH Fee		RD Fee		RR Fee	
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			Mr. Willis Hale 25 SE 8th Avenue Deerfield Beach, Florida 33441																					

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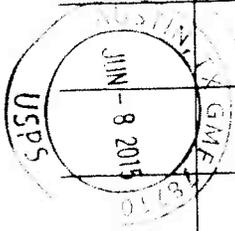
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