

No. 2017- 4991

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

Date: MAR 1 4 2017

Subject Considered:

ENVOLVE PHARMACY SOLUTIONS, INC.
2425 W. Shaw Avenue
Fresno, CA 93711

CONSENT ORDER
TDI ENFORCEMENT FILE NO. 12363

General remarks and official action taken:

The commissioner of insurance considers whether disciplinary action should be taken against Envolve Pharmacy Solutions, Inc. (Envolve).

WAIVER

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

Pursuant to TEX. INS. CODE § 82.055(b), Envolve agrees to this consent order with the express reservation that it does not admit to a violation of any provision of the Insurance Code or rule or regulation of the department and Envolve maintains the existence of any violation is in dispute.

FINDINGS OF FACT

1. TDI certified Envolve as a health utilization review agent, URA 1774935, effective July 16, 2012. Envolve's certification is current and expires on July 16, 2018.

Adverse Determination Templates

2. On May 23, 2013, Envolve filed an update application to its URA certification. The initial adverse determination letter submitted by Envolve was deficient and required revisions. The URA update was accepted on August 21, 2013.

3. In 2014 and 2016, Envolve submitted renewal applications, including the submission of template letters. The initial adverse determination template letters provided by Envolve in 2014 and 2016 were not the templates that were approved during the 2013 update.
4. TDI sent Envolve deficiency letters in 2014 and 2016 requesting revisions to the templates. Envolve's certification was renewed both years.
5. In 2016, MCQA selected Envolve for a utilization review audit of adverse determination letters currently in use. MCQA randomly selected three utilization review case files and requested Envolve to provide all of the issued initial adverse determination letters in those cases.
6. Review of the files revealed that Envolve was not using the adverse determination templates approved by TDI.
7. Envolve has represented to TDI that the failure to accurately implement the approved letters has been resolved.

CONCLUSIONS OF LAW

1. The commissioner has jurisdiction over this matter pursuant to TEX. INS. CODE §§ 31.002, 82.051-82.055, 84.021-84.022, and 4201.303; 28 TEX. ADMIN. CODE § 19.1709; and TEX. GOV'T CODE §§ 2001.051-2001.178.
2. The commissioner has authority to informally dispose of this matter as set forth under TEX. GOV'T CODE § 2001.056, TEX. INS. CODE §§ 82.055 and 36.104, and 28 TEX. ADMIN. CODE § 1.47.
3. Envolve violated TEX. INS. CODE § 4201.303 and 28 TEX. ADMIN. CODE § 19.1709 by using unapproved adverse determination templates.

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COMMISSIONER'S ORDER

Envolve Pharmacy Solutions, Inc.

TDI Enforcement File No. 12363

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The commissioner orders Envolve Pharmacy Solutions, Inc. to pay an administrative penalty of \$45,000 within 30 days from the date of this order. The administrative penalty must be paid by company check, cashier's check, or money order made payable to the "State of Texas." Mail the administrative penalty to the Texas Department of Insurance, Attn: Enforcement Section, Division 40111, MC 9999, P.O. Box 149104, Austin, Texas, 78714-9104.



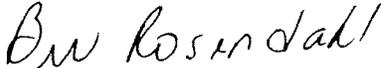
David C. Mattax

Commissioner of Insurance

By: Kevin Brady, Deputy Commissioner

Delegation Order 4506

Approved as to Form and Content:



Bev Rosendahl, Staff Attorney
Enforcement Section, Compliance Division
Texas Department of Insurance

