

No. 2017- 5273

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

Date: NOV 06 2017

Subject Considered:

DRISCOLL CHILDREN'S HEALTH PLAN
615 North Upper Broadway Suite 1621
Corpus Christi, Texas 78401

CONSENT ORDER
TDI ENFORCEMENT FILE NO. 13314

General remarks and official action taken:

This order is in consideration of whether disciplinary action should be taken against Driscoll Children's Health Plan (Driscoll).

WAIVER

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

FINDINGS OF FACT

1. TDI issued Driscoll basic service health maintenance organization (HMO) license number 94753, effective October 29, 1998.

2013 and 2015 Triennial Examinations

2. TDI conducted a triennial quality of care examination of Driscoll for the period beginning March 10, 2010, and ending April 1, 2013.
3. TDI conducted another triennial quality of care examination of Driscoll for the period beginning April 1, 2013, and ending December 31, 2015.
4. On December 19, 2016, TDI held an exit conference call with Driscoll to discuss the 2015 examination findings.

5. In Driscoll's 2015 examination, TDI found evidence Driscoll failed to provide a complete description of the complaint appeal process, including deadlines for the appeal process and deadlines for the final decision on appeal, similar to those issues TDI previously identified in Driscoll's 2013 examination.
6. In Driscoll's 2015 examination, TDI found evidence that Driscoll failed to include a one-page form that prominently and clearly stated the form must be returned for prompt resolution of the complaint when an oral complaint is received.
7. In Driscoll's 2015 examination, TDI found evidence that Driscoll failed to provide a reasonable opportunity for a provider to have a peer to peer discussion on treatment prior to an adverse determination being issued, similar to those issues TDI previously identified in Driscoll's 2013 examination.
8. In Driscoll's 2015 examination, TDI found evidence Driscoll failed to issue an adverse determination within three working days of receiving the request for services, for enrollees not hospitalized at the time of service, similar to those issues TDI previously identified in Driscoll's 2013 examination.
9. Driscoll failed to correct the deficiencies within 90 days from the receipt of its 2013 examination report, in accordance with its 2013 corrective action plan.
10. Driscoll submitted a plan of correction to address the deficiencies cited in the 2015 final examination report issued by TDI on April 24, 2017.

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, 401.055, 843.252, 843.253, and 4201.206; 28 TEX. ADMIN. CODE §§ 19.1703, 19.1709, and 19.1710; 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. Driscoll violated TEX. INS. CODE § 843.253(b)(4) because it failed to provide a complete description of the complaint appeal process, including deadlines for the appeal process and deadlines for the final decision on appeal.
4. Driscoll violated TEX. INS. CODE § 843.252(b)(2) because it failed to include a one-page form that prominently and clearly stated the form must be returned for prompt resolution of the complaint when an oral complaint is received.

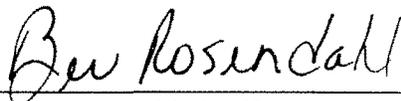
5. Driscoll violated 4201.206 and 28 TEX. ADMIN. CODE §§ 19.1703(b)(26)(A) and 19.1710 because it failed to provide a reasonable opportunity for a provider to have a peer to peer discussion on treatment prior to an adverse determination being issued.
6. Driscoll violated TEX. INS. CODE § 4201.304(a)(2) and 28 TEX. ADMIN. CODE §19.1709(d)(3) because it failed to issue an adverse determination within three working days of receiving the request for services, for enrollees not hospitalized at the time of service.
7. Driscoll violated 28 TEX. ADMIN. CODE § 11.303 by failing to provide a signed plan of corrections to the department no later than 30 days from receipt of the written examination report and correcting the deficiencies cited within its plan of correction within 90 days from the receipt of the written examination report.

The commissioner orders Driscoll Children's Health Plan to pay an administrative penalty of \$130,000 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 60851, MC 9999, P.O. Box 149104, Austin, Texas, 78714-9104.



Kent C. Sullivan
Commissioner of Insurance

Approved as to Form and Content:



Bev Rosendahl, Staff Attorney
Enforcement Section
Texas Department of Insurance

