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 8th Avenue, Deerfield Beach, Florida 33441, and via email to willis@peerreviewboard.com and 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.
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:

<table>
<thead>
<tr>
<th>#</th>
<th>Case #</th>
<th>Patient</th>
<th>Assigned Date</th>
<th>Due Date</th>
<th>Days allowed</th>
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<td>3-5-2015</td>
<td>3-25-2015</td>
<td>20</td>
<td>6</td>
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</tbody>
</table>

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


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 15th day after the date the organization receives the information necessary to make the determination; or

   b. The 20th 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.

[Signature]
David L. Mattax
Commissioner of Insurance
Before me, the undersigned authority, personally appeared the affiant, who, being by me duly sworn, deposed as follows:

“My name is Judy Lopez and I am employed by the Texas Department of Insurance. I am of sound mind, capable of making this affidavit, and have personal knowledge of these facts which are true and correct.

I have reviewed TDI’s records concerning Independent Review, Inc. I have confirmed that:

a. Mr. Willis Hale, CEO, Independent Review, Inc., C/O HC Enterprise Technologies, Inc., 185 N.E. Second Avenue, Deerfield Beach, Florida 33441 is the last mailing address provided to TDI in writing.

b. The file maintained by the Enforcement Section of the Compliance Division contains a notice of hearing dated June 8, 2015, filed with the State Office of Administrative Hearings.

c. A certified letter, return receipt requested, and a first class letter, containing a notice of hearing addressed to Independent Review, Inc.’s last known address was deposited in the United States mails.

Copies of the first class and certified mail logs maintained by the Enforcement Section are attached as Exhibits A and B.”

Affiant

SWORN TO AND SUBSCRIBED before me on July 14, 2015.
The full declaration is required on all domestic and international registered mail. The maximum indemnity payable for the reconstruction of nonnegotiable documents under Express Mail document reconstruction insurance is $500 per piece subject to additional limitations for multiple pieces lost or damaged in a single catastrophic occurrence. The maximum indemnity payable on Express Mail merchandise insurance is $500, but optional Express Mail Service merchandise insurance is available for up to $5,000 to some, but not all countries. The maximum indemnity payable is $25,000 for registered mail sent with optional postal insurance. See Domestic Mail Manual, Parcels of $900, S913, and S921 for limitations of coverage on insured and COD mail. See International Mail Manual for limitations of coverage in international mail. Special handling charges apply only to Standard Mail and Parcel Services parcels.
The full declaration is required on all domestic and international registered mail. The maximum indemnity payable for the reconstruction of nonnegotiable documents under Express Mail document reconstruction insurance is $500 per piece subject to additional limitations for multiple pieces lost or damaged in a single catastrophic occurrence. The maximum indemnity payable on Express Mail merchandise insurance is $500, but optional Express Mail Service merchandise insurance is available for up to $5,000 to some, but not all countries. The maximum indemnity payable is $25,000 for registered mail sent with optional postal insurance. See Domestic Mail Manual 8900, 8913, and 8921 for limitations of coverage on insured and COD mail. See International Mail Manual for limitations of coverage in international mail. Special handling charges apply only to Standard Mail and Parcel Services parcels.