

No. 4078

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

Date: AUG 12 2015

**Subject Considered:**

**SAFEHEALTH LIFE INSURANCE COMPANY**  
5 Park Plaza Suite 1850  
Irvine, CA 92614-2533

**CONSENT ORDER**  
TDI ENFORCEMENT FILE NOS. 8670 AND 9672

**General remarks and official action taken:**

The commissioner of insurance considers whether disciplinary action should be taken against SafeHealth Life Insurance Company.

**WAIVER**

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

**FINDINGS OF FACT**

1. On April 14, 1975, TDI issued SafeHealth life license no. 80970.
2. SafeHealth filed its 2013 annual network adequacy report on February 13, 2015, nearly one year late.
3. When SafeHealth filed its 2013 and 2014 network adequacy reports, the reports did not include the number of claims for out-of-network benefits, excluding claims paid at the preferred benefit coinsurance level.
4. On June 8, 2015, SafeHealth filed its prompt payment data back to the first quarter of 2010.
5. On July 13, 2015, SafeHealth updated its 2013 network adequacy report, and on July 15, 2014, SafeHealth updated its 2014 network adequacy report to include the number of

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claims for out-of-network benefits, excluding claims paid at the preferred benefit coinsurance level.

## CONCLUSIONS OF LAW

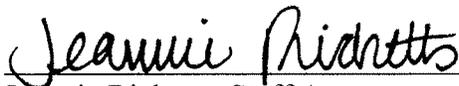
1. The commissioner has jurisdiction over this matter pursuant to TEX. INS. CODE §§ 82.051-82.055, 84.021-84.022, and 1301.101 – 1301.139; TEX. GOV'T CODE §§ 2001.051–2001.178; and 28 TEX. ADMIN. CODE §§ 3.3709 and 21.2801-21.2816.
2. The commissioner has authority to informally dispose of this matter under TEX. GOV'T CODE § 2001.056, TEX. INS. CODE §§ 82.055 and 36.104, and 28 TEX. ADMIN. CODE § 1.47.
3. SafeHealth violated 28 TEX. ADMIN. CODE § 3.3709 because it failed to file its 2013 network adequacy report with TDI on or before April 1.
4. SafeHealth violated 28 TEX. ADMIN. CODE § 3.3709(c)(1) because it failed to report claims for out-of-network benefits, excluding claims paid at the preferred benefit coinsurance level, in its 2013 and 2014 network adequacy reports.
5. SafeHealth violated 28 TEX. ADMIN. CODE § 21.2821 by failing to file its quarterly prompt payment reports for vision claims for five years.

The commissioner orders SafeHealth Life Insurance Company to pay an administrative penalty of \$25,000 within 30 days of 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

Approved as to Form and Content:



Jeannie Ricketts, Staff Attorney  
Enforcement Section, Compliance Division  
Texas Department of Insurance

