

No. 2018- 5747

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

Date: DEC 12 2018

**Subject Considered:**

PARKLAND COMMUNITY HEALTH PLAN, INC.  
A PROGRAM OF DALLAS COUNTY HOSPITAL DISTRICT  
2777 North Stemmons Freeway Suite 1750  
Dallas, Texas 75207

**CONSENT ORDER**  
TDI ENFORCEMENT FILE NO. 15636

**General remarks and official action taken:**

The subject of this order is whether disciplinary action should be taken against Parkland Community Health Plan, Inc., A Program of Dallas County Hospital District (PCHP).

**WAIVER**

PCHP acknowledges that the Texas Insurance Code and other applicable laws provide certain rights. PCHP 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), PCHP 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 maintains the existence of any violation is in dispute.

**FINDINGS OF FACT**

1. The Texas Department of Insurance (TDI) issued PCHP basic service health maintenance organization (HMO) license number 94578, effective August 23, 1996.

**2016 Triennial Examination**

2. TDI conducted a triennial quality of care examination of PCHP for the period beginning May 12, 2014, and ending December 31, 2016.
3. On December 27, 2017, TDI held an exit conference call with PCHP to discuss the 2016 examination findings.

**Examination Findings**

4. Parkland failed to provide evidence that it appointed a Quality Improvement Committee, which included physicians and individual providers, to establish reasonable standards for quality of care for enrollees. This was similar to issues TDI previously identified in a 2014 examination of Parkland.
5. Parkland failed to provide evidence that it monitored its delegated entities for compliance with all applicable statutes and rules. This was similar to issues TDI previously identified in a 2014 examination of Parkland.
6. Parkland failed to provide evidence that its utilization review agent gave the provider of record a reasonable opportunity to discuss the plan of treatment for the enrollee with a physician, prior to issuing the adverse determination letter. This was similar to issues TDI previously identified in a 2014 examination of Parkland.
7. Parkland failed to provide evidence that its utilization review agent's adverse determination letter included the professional specialty of the physician, doctor, or other health care provider that made the adverse determination. This was similar to issues TDI previously identified in a 2014 examination of Parkland.
8. Parkland failed to provide evidence that its utilization review agent provided an adverse determination within three days of receiving the request for services for enrollees not hospitalized at the time of the request. This was similar to issues TDI previously identified in a 2014 examination of Parkland.
9. Parkland failed to file an access plan for the 2014 examination within 90 days from receipt of its last written report concerning the deficiency. Parkland was advised that implementation of the access plan would be verified in the 2016 examination.
10. Parkland failed to maintain an accurate written and electronic current list of credentialed and contracted individual providers and institutional providers.
11. Parkland submitted a plan of correction to address the deficiencies cited in the final examination report issued by TDI on February 28, 2018.

**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, 843.102, 843.151, 1272.052, 1272.053, 1452.002 and 4201.206; 28 TEX. ADMIN. CODE §§ 11.301, 11.303, 11.1901, 11.1902, 11.2603, 19.1709 and 19.1711; and TEX. GOV'T CODE §§ 2001.051-2001.178.

## COMMISSIONER'S ORDER

Parkland Community Health Plan, Inc.

A Program of Dallas County Hospital District

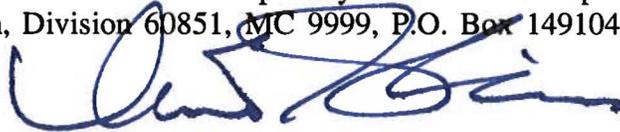
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2. The commissioner has authority to informally dispose of this matter as set forth under TEX. GOV'T CODE § 2001.056, TEX. INS. CODE §§ 82.055 and 36.104, and 28 TEX. ADMIN. CODE § 1.47.

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3. Parkland has knowingly and voluntarily waived all procedural rights to which it may have been entitled regarding the entry of this order, including, but not limited to, issuance and service of notice of intention to institute disciplinary action, notice of hearing, a public hearing, a proposal for decision, rehearing by the commissioner, and judicial review.
4. Parkland violated TEX. INS. CODE § 843.102 and 28 TEX. ADMIN. CODE § 11.1901(b)(1) because it failed to provide evidence that it appointed a Quality Improvement Committee, which included physicians and individual providers, to establish reasonable standards for quality of care for enrollees.
5. Parkland violated TEX. INS. CODE § 1272.053 and 1272.052 and 28 TEX. ADMIN. CODE § 11.2603 because it failed to provide evidence that it monitored its delegated entities for compliance with all applicable statutes and rules.
6. Parkland violated TEX. INS. CODE § 4201.206 and 28 TEX. ADMIN. CODE § 19.1711 because it failed to provide evidence that its utilization review agent gave the provider of record a reasonable opportunity to discuss the plan of treatment for the enrollee with a physician, prior to issuing the adverse determination letter.
7. Parkland violated 28 TEX. ADMIN. CODE § 19.1709(b)(4) because it failed to provide evidence that the adverse determination letter included the professional specialty of the physician, doctor, or other health care provider that made the adverse determination.
8. Parkland violated TEX. INS. CODE § 843.151 and 28 TEX. ADMIN. CODE §§ 11.301 and 11.303(d)(6) because it failed to file an access plan for the 2014 examination within 90 days from receipt of its last written report concerning the deficiency.
9. Parkland violated TEX. INS. CODE § 1452.002 and 28 TEX. ADMIN. CODE §§ 11.1902 because it failed to maintain an accurate written and electronic current list of credentialed and contracted individual providers and institutional providers.

It is ordered that Parkland Community Health Plan, Inc., A Program of Dallas County Hospital District pay an administrative penalty of \$150,000 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

2018- 5747

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Approved as to Form and Content:



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Bev Rosendahl

Staff Attorney, Enforcement Section

Texas Department of Insurance

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A Program of Dallas County Hospital District  
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AFFIDAVIT

STATE OF TEXAS §

COUNTY OF DALLAS §

Before me, the undersigned authority, personally appeared the affiant, who being by me duly sworn, deposed as follows:

"My name is Robert Kowalski. I am of sound mind, capable of making this statement, and have personal knowledge of these facts which are true and correct.

I hold the office of Interim Executive Dir., and am the authorized representative of Parkland Community Health Plan, Inc., A Program of Dallas County Hospital District and I am duly authorized by said organization to execute this statement.

Parkland Community Health Plan, Inc. , A Program of Dallas County Hospital District waives rights provided by the Texas Insurance Code and other applicable laws, and acknowledges the jurisdiction of the Texas commissioner of insurance.

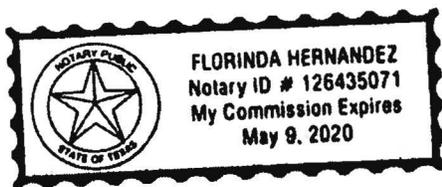
Parkland Community Health Plan, Inc., A Program of Dallas County Hospital District is voluntarily entering into this consent order. Parkland Community Health Plan, Inc. consents to the issuance and service of this consent order."

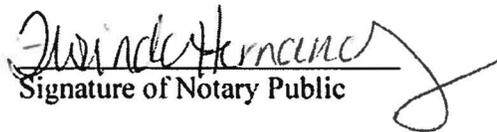


Affiant

SWORN TO AND SUBSCRIBED before me on Sept. 21, 2018.

(NOTARY SEAL)



  
Signature of Notary Public