



NEWS RELEASE

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FOR IMMEDIATE RELEASE

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CIGNA HealthCare - Centennial State, Inc. Fined \$32,000 for Market Conduct Violations Affecting Consumers

Denver - A market conduct examination completed by DORA's Colorado Division of Insurance found violations of Colorado's laws on Health Maintenance Organizations (HMOs) by CIGNA HealthCare - Centennial State, Inc.

CIGNA HealthCare - Centennial State, Inc. was previously known as Great-West Healthcare prior to its acquisition by CIGNA. The final market conduct order reflected a fine of \$32,000 for the two violations that were identified.

"Market conduct examinations are one of the checks and balances the Division of Insurance uses to be sure that consumers are protected," said Marcy Morrison, Commissioner of Insurance.

CIGNA notified the Division of Insurance it had stopped marketing its HMO products in Colorado in August of 2008. The Division called the market conduct examination to ensure that the company had met its obligations to Colorado consumers covered by the plan, prior to ceasing operations as outlined in the withdrawal plan provided by CIGNA.

The market conduct examination identified violations in two areas:

- Failure, in some instances, to allow thirty (30) calendar days to provide additional necessary information before denying claims, and
- Failure, in some instances, to have written denials of adverse utilization review determinations signed by a licensed physician.

The company paid the fine on March 18, 2010, and responded to the final agency order.

Copies of this and other market conduct examination reports, along with final agency orders, are available on the Division of Insurance's website, <http://www.dora.state.co.us/insurance/mcexam/MarketRegChron.htm>

DORA's Division of Insurance conducts market conduct examinations of insurance companies, HMOs, and health carriers to be sure that the companies are in compliance with Colorado laws and regulations related to rating, underwriting and claim practices. Each examination attempts to identify areas where an insurer or carrier has not complied with laws relating to the distribution of products to consumers and settlement of claims.

Market conduct examination reports document the findings of the Division's examiners. The reports indicate violations of the law, if any, discovered during the exam. The reports also summarize actions taken by the companies to correct any alleged non-compliant practices.

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DORA is dedicated to preserving the integrity of the marketplace and is committed to promoting a fair and competitive business environment in Colorado. Consumer protection is our mission.