

- *The reviewers' decision in clear terms and the basis for the decision.*
 - *A reference to the evidence or documentation used as the basis for the decision.*
 - *Notice of the covered person's right to contact the Superintendent's office, along with the Bureau's toll free number and address.*
8. On March 18, 1998, Healthsource sent Consumer an adverse determination notice to his first level appeal. That adverse determination notice failed to include:
- A statement of the reviewer's understanding of the covered person's grievance and all pertinent facts.
 - Notice of the covered person's right to contact the Superintendents Office.
 - Toll free number and address of the Bureau of Insurance.
 - A statement of the consumers right to a second level grievance review.
9. On May 20, 1999, Healthsource sent Consumer an adverse determination notice which contained the following statement: "Benefits will not be paid for the following. N. Covered Health Services that are not Medically Necessary for the diagnosis and treatment of any accidental injury, sickness or maintenance." The letter failed to provide any explanation as to why the services were determined not to be medically necessary.
10. The May 20, 1998 adverse determination notice to consumer's second level appeal failed to include:
- The names, titles and qualifying credentials of the person or persons participating in the first level grievance review process (the reviewers).
 - A statement of the reviewers' understanding of the covered person's grievance and all pertinent facts.
 - The reviewers' decision in clear terms and the basis for the decision.
 - A reference to the evidence or documentation used as the basis for the decision.

CONCLUSIONS OF LAW

11. As described in paragraph eight above, Healthsource failed to comply with the requirements of Rule 850(9)(C)(1)(b) in its March 18, 1998 adverse determination notice to Consumer.
12. As described in paragraphs nine and ten above, Healthsource failed to comply with the requirements of Rule 850(9)(C)(1)(b)(i-iv) in its May 20, 1998 adverse determination notice to Consumer.

COVENANTS

13. A formal hearing in this matter is waived and no appeal will be made.
14. At the time of executing this Agreement, Healthsource will pay to the Maine Bureau of Insurance a civil penalty in the amount of two thousand dollars (\$2,000), payable to the Treasurer of the State of Maine.
15. In consideration of Healthsource's execution of and compliance with the terms of this Consent Agreement, the Superintendent agrees to forgo pursuing any disciplinary measures or other civil sanction for the actions described above other than those agreed to in this Consent Agreement.

MISCELLANEOUS

16. This Consent Agreement may only be modified by the written consent of the parties.
17. It is understood by the parties to this Agreement that nothing herein shall affect any rights or interests that any person not a party to this Agreement may possess.
18. Healthsource acknowledges that this Consent Agreement is a public record within the meaning of 1 M.R.S.A. § 402 and will be available for public inspection and copying as provided for by 1 M.R.S.A. § 408.
19. Healthsource has been advised of its right to consult with counsel and has, in fact, consulted with counsel before executing this Agreement.

For Healthsource Maine, Inc.

Dated: _____, 1999

By: _____

Signature

For: _____

Typed Name

Typed Title

this _____ day of _____, 1999.

Notary Public

FOR THE BUREAU OF INSURANCE

Dated: _____, 1999

Alessandro A. Iuppa
Superintendent of Insurance

STATE OF MAINE
KENNEBEC, SS.

Subscribed and sworn to before me
this _____ day of _____, 1999.

Notary Public/Attorney-at-Law

FOR THE MAINE ATTORNEY GENERAL

Dated: _____, 1999

Judith Shaw Chamberlain
Assistant Attorney General