

**STATE OF MAINE
MAINE BUREAU OF INSURANCE**

In re:

)	
AETNA LIFE INSURANCE COMPANY)	
)	
Maine Insurance Company License No.)	CONSENT AGREEMENT
LHF621)	
)	
Docket No. INS-10-237)	

Introduction

This document is a Consent Agreement authorized by 10 M.R.S. § 8003(5)(B) and entered into among and between Aetna Life Insurance Company ("Aetna"), the Superintendent of the Maine Bureau of Insurance, and the Office of the Maine Attorney General. Its purpose is to resolve, in lieu of an adjudicatory proceeding, violations of the Maine Insurance Code for which the Superintendent may impose discipline, including license revocation, pursuant to 24-A M.R.S. §§ 1417 and 1476.

1. The Maine Insurance Code, 24-A M. R. S., regulates persons who offer insurance products in the State of Maine. The Superintendent has jurisdiction over this matter pursuant to the Code and Chapter 850 of Bureau of Insurance Rules.
2. The Superintendent is the official charged with administering and enforcing Maine's insurance laws. The Superintendent has jurisdiction over this matter pursuant to the Insurance Code generally and in particular 24-A M.R.S. §§ 12-A, 211, and 229.

Facts

3. Aetna Life Insurance Company is licensed as a Maine insurance company and has held License No. LHF621 since March 1, 1990.
4. On October 13, 2009, the Bureau of Insurance received a complaint from E.D., an enrollee under an Aetna health benefit plan. E.D. complained about difficulties in receiving a response from Aetna to her initial appeal from denial of coverage. E.D. also complained about Aetna's failure to respond to a second level appeal of its determination. The Bureau docketed E.D.'s appeal as No. 2009-24109.
5. E.D.'s provider rendered services to E.D. from January 3, 2008 through February 2, 2008.
6. Aetna received E.D.'s initial appeal request on April 15, 2008.

7. By letter dated July 8, 2008, Aetna rejected E.D.'s appeal request, alleging that services rendered were medically unnecessary.

8. E.D.'s provider submitted a second level appeal request to Aetna by certified mail on December 23, 2008. The receipt for certified mail shows that Aetna received the request on December 26, 2008.

9. On August 7, 2009, after receiving no response from Aetna regarding a second level appeal, E.D.'s provider sent another request via certified mail. United States Postal Service records show that Aetna received this second request on August 10, 2009.

10. In response to an October 15, 2009 letter from the Bureau advising Aetna of E.D.'s complaint, Aetna admitted that it had received E.D.'s request for a second level appeal but had not responded to it. Aetna stated that it was "unable to verify where the correspondence was routed within Aetna." Aetna stated that it had, as of October 30, 2009, initiated the second level appeal process.

Applicable Law

11. Bureau of Insurance Rules, Chapter 850, "Health Plan Accountability," regulates the conduct of Aetna and other health care plans in the handling of benefit claims, including appeals of adverse health care treatment decisions.

12. Bureau of Insurance Rules, Chapter 850, § 8(G)(1)(c) requires that in response to a request for an initial appeal an insurer must notify both an enrollee and the enrollee's provider of the insurer's decision within 20 business days.

13. Title 24-A M.R.S. § 4303(4) and Bureau of Insurance Rules, Chapter 850, § 9(D)(1) provides a second level appeal review for insureds dissatisfied with the result of a standard adverse health care decision appeal.

14. Title 24-A M.R.S. § 4303(4)(A)(2) requires that an insurer issue a decision for second level appeal reviews within 30 calendar days.

15. Bureau of Insurance Rules, Chapter 850, § 9(A) requires that health carriers maintain written records to document all grievances received. Those records must contain at a minimum a general description of the reason for a grievance, the date a grievance is received, the date of each review, the nature and date of resolution at each level of a grievance, and the name of the covered person.

16. Title 24-A M.R.S.A. § 2152 prohibits an insurer from engaging in any unfair or deceptive practice in the business of insurance.

Covenants

17. Aetna acknowledges that its conduct toward E.D. set forth above in ¶¶ 3 through 10 violated Bureau of Insurance Rules, Chapter 850, §§ (8)(G)(1)(c) and § 9(A) and 24-A M.R.S. §§ 2152 and 4303(4)(A)(2).

18. No later than sixty (60) days after executing this Consent Agreement, Aetna will remit to the Maine Bureau of Insurance a company check in the amount of \$50,000.00 payable to the Treasurer of the State of Maine.

19. Aetna shall update and maintain to the Superintendent's satisfaction a system of oversight and controls designed to eliminate violations of law like those that occurred in the case of E.D. No later than ninety (90) days after the last signature on this Consent Agreement, Aetna shall submit to the Superintendent a report of such information she deems necessary to confirm this corrective action.

20. No later than ninety (90) days after executing this Consent Agreement, Aetna shall report, in a form satisfactory to the Superintendent, a record of grievances filed by member or providers concerning benefit determinations in Maine for the period from January 1, 2010 through December 31, 2010. The record shall contain: (a) all information compiled pursuant to Bureau of Insurance Rules, Chapter 850, § 9(A); and (b) the name, address, and telephone number of every appellant.

21. The parties to this Consent Agreement understand that nothing herein shall affect any right or interest which any person not a party to this Agreement may possess.

22. This consent Agreement is not subject to appeal. Aetna waives any right it might have to appeal any matter that is a subject of this Consent Agreement.

23. This Consent Agreement is enforceable by an action in Maine Superior Court.

24. This Consent Agreement may be modified only by a written agreement executed by all of the parties hereto. Any decision to modify, continue, or terminate any provision of this Consent Agreement rests in the discretion of the Superintendent and the Attorney General.

25. This Consent Agreement is a public record subject to the provisions of the Maine Freedom of Access Law, 1 M.R.S. §§ 401 through 410; will be available for public inspection and copying as provided for by 1 M.R.S. § 408; and will be reported to the National Association of Insurance Commissioners' "RIRS" database.

26. By the duly-authorized signature of its representative on this Consent Agreement, Aetna warrants that it has consulted with counsel before signing the Agreement or has knowingly and voluntarily decided to proceed in this matter without consulting counsel, that it understands the Agreement, and that it enters into the Agreement voluntarily and without coercion of any kind from any person.

27. In return for Aetna's execution of and compliance with the terms of this Consent Agreement, the Superintendent and the Attorney General agree to forego pursuing further disciplinary

measures or other civil or administrative sanctions available under the Maine Insurance Code for the specific conduct described in this Consent Agreement, other than those agreed to herein. However, should Aetna fail to comply with or violate this Consent Agreement, it may be subject to any available remedy under the law for such failure or violation.

Signatures

AETNA LIFE INSURANCE COMPANY

Dated: April 1, 2011

By: _____

Its: _____

THE MAINE BUREAU OF INSURANCE

Dated: April 2, 2011

Mila Kofman, Superintendent

OFFICE OF THE MAINE ATTORNEY GENERAL

Dated: April 5, 2011

Andrew L. Black
Assistant Attorney General