

**STATE OF VERMONT  
DEPARTMENT OF FINANCIAL REGULATION**

**IN THE MATTER OF:** )  
 )  
 ) **Docket No. 13-032-I**  
**MVP Health Plan, Inc. and** )  
**MVP Health Insurance Company** )  
 )

**STIPULATION AND CONSENT ORDER**

The Insurance Division of the Vermont Department of Financial Regulation (“Department”) and MVP Health Plan, Inc. and MVP Health Insurance Company (“Respondents”) stipulate and agree as follows:

1. Pursuant to the authority contained in 8 V.S.A. §§ 11-13, 15, and 18 V.S.A. § 9412 the Commissioner of the Department (“Commissioner”) is charged with enforcing the insurance laws of the State of Vermont.
2. Respondents offer health insurance products in Vermont and are duly licensed in the State of Vermont. Respondents are located at 625 State Street, Schenectady, NY 12301.
3. The provisions contained in the statutes at 8 V.S.A. §§ 4090a(c)(1)-(3) and 4090b(a) pertaining to continuation of coverage were amended in 2009. Respondents failed to update previously approved member forms in order to include language from the amended statutes, and therefore these forms were not compliant with the amended statutes.
4. Respondents failed to update previously approved member forms to comply with Regulation H-2011-02 at Section 5(D) pertaining to the external review of claims and therefore these forms were not compliant with the amended statutes.

5. The Department has received and reviewed Respondents' updated and amended member forms, which are now compliant with the statutes and Regulation cited to above. The Department has accordingly approved these forms.
6. Respondents have been made aware that the Department may elect to proceed with an administrative action for noncompliance with 8 V.S.A. §§ 4090a(c)(1)-(3) and 4090b(a) and Regulation H-2011-02 pursuant to 18 V.S.A. § 9412 and Title 8 and seek appropriate relief to the extent of the Department's statutory authority.
7. Respondents wish to resolve this matter without a hearing by entering into this Stipulation and Consent Order with the Department on the terms and conditions set forth herein.
8. Respondents waive their right to a hearing before the Commissioner or the Commissioner's designee, and all other procedures otherwise available under Vermont law, the rules of the Department and the provisions of Chapter 25 of Title 3 regarding contested cases, or any right it may have to judicial review by any court by way of suit, appeal, or extraordinary remedy with respect to the terms of the Stipulation and Consent Order set forth herein.
9. Respondents acknowledge that they understand all of the terms, conditions, undertakings, and obligations contained in this Stipulation and Consent Order.
10. Respondents acknowledge that the Stipulation and Consent Order constitutes a valid order duly rendered by the Commissioner and agree to be fully bound by it. Respondents acknowledge that noncompliance with any of the terms of this Stipulation and Consent Order shall constitute a violation of a lawful order of the Commissioner and shall be a separate violation of the laws of the State of Vermont and shall subject Respondents to

administrative action or sanctions as the Commissioner deems appropriate. Respondents further acknowledge that the Commissioner retains jurisdiction over this matter for the purpose of enforcing this Stipulation and Consent Order.

11. Other than as specifically set forth herein, the Department retains any rights it has to respond to and address any consumer complaint that may be made with regard to Respondents and transactions in insurance, as defined in 8 V.S.A. § 3301, including the right to pursue any remedy authorized by law in response to such a consumer complaint.
12. Nothing herein shall be construed as a waiver of any private right of action any person may have.

**THE DEPARTMENT AND RESPONDENT FURTHER STIPULATE AND AGREE:**

13. Respondents shall pay an administrative penalty in the amount of Seven Thousand Five Hundred Dollars (\$7,500) within ten (10) days of execution of this Stipulation and Consent Order in full and final satisfaction of all fines and penalties arising from the submission of its forms as described in paragraphs 3 and 4 above.
14. Respondents waive their statutory right to notice and a hearing before the Commissioner or her designated appointee with respect to the subject matter of this Stipulation and Consent Order.
15. Respondents acknowledge and agree that this Stipulation and Consent Order is entered into freely and voluntarily, and that except as set forth herein, no promise was made to induce Respondents to enter into it. Respondents acknowledge that they have consulted with their attorneys in this matter and that they have reviewed this Stipulation and Consent Order and that they understand all the terms and obligations contained herein.

16. Respondents consent to the entry of this Stipulation and Consent Order and agree to be fully bound by its terms and conditions. Respondents acknowledge that noncompliance with any of the terms of this Stipulation and Consent Order may constitute a separate violation of the insurance laws of the State of Vermont and may subject them to sanctions.
17. The terms set forth in this Stipulation and Consent Order represents the complete agreement between the parties as to its subject matter.
18. The undersigned representatives of the Respondents each individually affirm that he or she has taken all necessary steps to obtain the authority to bind each respective Respondent to the obligations stated herein and has the authority to bind each respective Respondent to the obligations stated herein.

**MVP HEALTH PLAN, INC.**

By Its Duly Authorized Agent:

J-C-L

10/24/13  
Date

STATE OF New York  
COUNTY OF Schenectady

On this 24<sup>th</sup> day of October, 2013, Justin Carangelo personally appeared before me and pursuant to a sworn oath subscribed to this Stipulation and Consent Order and represented that he/~~she~~ has full authority to execute, deliver and legally bind Respondent to this Stipulation and Consent Order.

Jane E Forner  
NOTARY PUBLIC  
My Commission Expires: 11/30/2014

**Jane E. Forner**  
Notary Public – The State of New York  
No. 02FO4638084  
Qualified in Saratoga County  
My Comm. Expires November 30, 2014

**MVP HEALTH INSURANCE COMPANY**

By Its Duly Authorized Agent:

Justin Carangelo

10/24/13  
Date

STATE OF New York  
COUNTY OF Schenectady

On this 24<sup>th</sup> day of October, 2013, Justin Carangelo personally appeared before me and pursuant to a sworn oath subscribed to this Stipulation and Consent Order and represented that he/she has full authority to execute, deliver and legally bind Respondent to this Stipulation and Consent Order.

Jane E. Forner  
NOTARY PUBLIC  
My Commission Expires: 11/30/2014

**Jane E. Forner**  
Notary Public – The State of New York  
No. 02F04538084  
Qualified in Saratoga County  
My Comm. Expires November 30, 2014

**ACCEPTED BY:**

Crosby Sherman  
Crosby Sherman, Deputy Commissioner,  
Insurance Division, Vermont Department  
of Financial Regulation

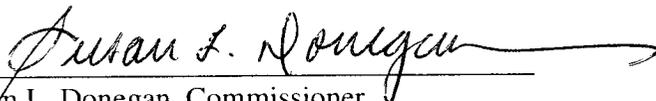
Date: 30<sup>th</sup>, 2013

**CONSENT ORDER**

1. The stipulated facts, terms and provisions of the Stipulation are incorporated by reference herein.
2. Jurisdiction in this matter is established pursuant to Chapters 101 and 107 of Title 8 and Chapter 221 of Title 18 of the Vermont Statutes Annotated and Regulation H-2011-02.
3. Pursuant to the Stipulation, Respondents consent to the entry of this Consent Order.

4. Respondents shall comply with all agreements, stipulations, and undertakings as recited above.
5. Nothing contained in this Order shall restrain or limit the Department in responding and addressing any consumer complaint about Respondents filed with the Department or shall preclude the Department from pursuing any other violation of law.

Entered at Montpelier, Vermont, this 31<sup>st</sup> day of October, 2013.

  
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Susan L. Donegan, Commissioner  
Vermont Department of Financial Regulation