

**IN THE DEPARTMENT OF COMMERCE AND INSURANCE
STATE OF MISSOURI**

In Re:

**UNITED BEHAVIORAL HEALTH
(NPN #2014546)**

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Market Conduct Investigation No. 335042

ORDER OF THE DIRECTOR

NOW, on this 09th day of February, 2021, Director, Chlora Lindley-Myers, after consideration and review of the Stipulation of Settlement (hereinafter "Stipulation") entered into by the Division of Insurance Market Regulation (hereinafter "Division"), and United Behavioral Health (NPN #2014546) (hereinafter "UBH"), relating to the market conduct investigation no. 335042, does hereby issue the following orders:

This order, issued pursuant to §374.046.15¹ is in the public interest.

IT IS THEREFORE ORDERED that UBH and the Division having agreed to the Stipulation, the Director does hereby approve and agree to the Stipulation.

IT IS FURTHER ORDERED that UBH shall not engage in any of the violations of law and regulations set forth in the Stipulation, shall implement procedures to place it in full compliance with the requirements in the Stipulation and the statutes and regulations of the State of Missouri, and to maintain those corrective actions at all times, and shall fully comply with all terms of the Stipulation.

IT IS SO ORDERED.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of my office in Jefferson City, Missouri, this 09th day of February, 2021.



Chlora Lindley-Myers

Chlora Lindley-Myers
Director

¹ All references, unless otherwise noted, are to Missouri Revised Statutes 2016, as amended.

**IN THE DEPARTMENT OF COMMERCE AND INSURANCE
STATE OF MISSOURI**

In Re:)
)
 UNITED BEHAVIORAL HEALTH) **Market Conduct Investigation No. 335042**
 (NPN #2014546))

STIPULATION OF SETTLEMENT

It is hereby stipulated and agreed by the Division of Insurance Market Regulation (hereinafter, the “Division”), and United Behavioral Health (hereinafter “UBH”), as follows:

WHEREAS, the Division is a unit of the Missouri Department of Commerce and Insurance (hereinafter, the “Department”), an agency of the State of Missouri, created and established for administering and enforcing all laws in relation to insurance companies doing business in the State of Missouri;

WHEREAS, UBH performs utilization review for mental health and substance abuse services in the State of Missouri;

WHEREAS, the Division conducted a market conduct investigation of UBH, investigation no. 335042; and

WHEREAS, based on the market conduct investigation of UBH, the Division alleges that:

1. From April 1, 2012 to December 2019, UBH did not establish grievance advisory panels for second level appeals in violation of §376.1385.1¹.
2. UBH utilized notices regarding 1st level appeal rights, 2nd level appeal rights and external review that did not provide correct information in violation of §376.1378, §376.1382, §376.1385, §376.1389, 20 CSR 100-5.010(4) and 20 CSR 400-10.100.
3. UBH did not provide an appeal acknowledgment letter to enrollees acknowledging

¹ All references, unless otherwise noted, are to Revised Statutes of Missouri 2016, as amended.

the receipt of their appeal in violation of §376.1382.2(1).

4. UBH did not provide timely appeal acknowledgment notifications in violation of §376.1382.2(1).

5. UBH did not provide timely appeal outcome letters of first and second level appeals in violation of §376.1382.2(3) and §376.1385.3.

6. UBH did not accurately apply its mental health and substance use clinical coverage guidelines and did not accurately cite clinical rationale and medical documentation in violation of §376.1361.1 and §376.1363.5.

WHEREAS, the Division and UBH have agreed to resolve the issues raised in the market conduct investigation as follows:

A. **Scope of Agreement.** This Stipulation of Settlement (hereinafter, "Stipulation") embodies the entire agreement and understanding of the signatories with respect to the subject matter contained herein. The signatories hereby declare and represent that no promise, inducement or agreement not herein expressed has been made, and acknowledge that the terms and conditions of this agreement are contractual and not a mere recital.

B. **Remedial Action.** UBH agrees to take remedial action bringing it into compliance with the statutes and regulations of Missouri and agrees to maintain those remedial actions at all times. Such remedial actions shall include, but are not limited to, the following:

1. UBH agrees, to the extent it has not already done so, to correct any and all deficiencies in its appeal notification documents to comply with §376.1378, §376.1382, §376.1385, §376.1387, §376.1389, 20 CSR 100-5.010(4) and 20 CSR 400-10.100.

2. UBH agrees to conduct appeals timely in accordance with §376.1382.2(3) and §376.1385.3.

3. UBH agrees to promptly acknowledge appeal requests in compliance with §376.1382.2(1).

4. UBH agrees to conduct second level appeals in accordance with §376.1385, including, but not limited to, establishing grievance panels as required by §376.1385.1.

5. UBH agrees to accurately apply its clinical coverage guidelines when conducting reviews of adverse determinations as required by §376.1361.1 and §376.1363.5.

6. UBH agrees to provide in its written notices of adverse determination the clinical rationale as described in its clinical coverage guidelines.

C. **Compliance.** UBH agrees to file documentation with the Division, in a format acceptable to the Division, within 60 days of the entry of a final order of any remedial action taken to implement compliance with the terms of this Stipulation.

D. **Fees.** UBH agrees to pay any reasonable fees expended by the Division in conducting its review of the documentation provided by the Company pursuant to Paragraphs B and C of this Stipulation.

E. **Penalties.** The Division agrees that it will not seek penalties against UBH in connection with market conduct investigation no. 335042.

F. **Non-Admission.** Nothing in this Stipulation shall be construed as an admission by UBH, this Stipulation being part of a compromise settlement to resolve disputed factual and legal allegations arising out of the above referenced market conduct investigation.

G. **Waivers.** UBH, after being advised by legal counsel, does hereby voluntarily and knowingly waive any and all rights for procedural requirements, including notice and an opportunity for a hearing, and review or appeal by any trial or appellate court, which may have otherwise applied to the market conduct investigation no. 335042.

H. **Changes.** No changes to this Stipulation shall be effective unless made in writing and

agreed to by representatives of the Division and UBH.

I. **Governing Law.** This Stipulation shall be governed and construed in accordance with the laws of the State of Missouri.

J. **Authority.** The signatories below represent, acknowledge and warrant that they are authorized to sign this Stipulation, on behalf of the Division and UBH respectively.

K. **Counterparts.** This Stipulation may be executed in multiple counterparts, each of which shall be deemed an original and all of which taken together shall constitute a single document. Execution by facsimile or by electronically transmitted signature shall be fully and legally effective and binding.

L. **Effect of Stipulation.** This Stipulation shall not become effective until entry of a Final Order by the Director approving this Stipulation.

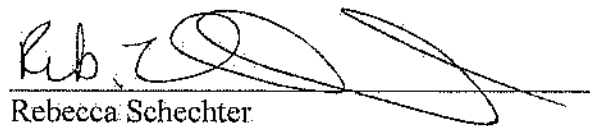
M. **Request for an Order.** The signatories below request that the Director issue an Order approving this Stipulation and ordering the relief agreed to in the Stipulation, and consent to the issuance of such Order.

DATED: 1-29-2021



Stewart Freilich
Chief Market Conduct Examiner and Senior Counsel
Division of Insurance Market Regulation

DATED: 1/21/2021



Rebecca Schechter
CEO, United Behavioral Health