

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION

AT RICHMOND, AUGUST 21, 2024

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COMMONWEALTH OF VIRGINIA, *ex rel.*

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STATE CORPORATION COMMISSION

v.

CASE NO. INS-2024-00077

CIGNA HEALTH AND LIFE INSURANCE COMPANY,  
Defendant

SETTLEMENT ORDER

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), the Bureau has alleged that Cigna Health and Life Insurance Company ("Defendant"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia, in certain instances violated § 38.2-3445.01 F of the Code of Virginia ("Code") and 14 VAC 5-405-30 E of the Commission's Rules Governing Balance Billing for Out-of-Network Health Care Services, 14 VAC 5-405-10 *et seq.* of the Virginia Administrative Code ("Rules") by failing to respond to a provider's timely notification that it disputed the Defendant's initial payment offer, thereby precluding the provider from engaging in good faith negotiations to resolve the dispute.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1040 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendant has been advised of the right to a hearing in this matter whereupon the Defendant, without admitting or denying any violation of Virginia law, has made an offer of settlement to the Commission. Through its settlement offer, the Defendant has agreed to comply

with its internal balance billing operating procedures that have been updated to be in accordance with the requirements of § 38.2-3445.01 F of the Code and Rule 14 VAC 5-405-30 E; has tendered to the Treasurer of Virginia the amount of Forty Thousand Dollars (\$40,000); has agreed to cease and desist from future conduct that violates § 38.2-3445.01 F of the Code and Rule 14 VAC 5-405-30 E; and has waived the right to a hearing.

The Bureau has recommended that the Commission accept the Defendant's settlement offer pursuant to the authority granted to the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered this matter, is of the opinion and finds that the Defendant's settlement offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The Defendant's settlement offer is hereby accepted.
- (2) This case is dismissed.

A COPY hereof shall be sent by the Clerk of the Commission by electronic mail to: Leslie Stalica, Claims Resolution, Cigna Health and Life Insurance Company, P.O. Box 188016, Chattanooga, Tennessee 37422-8016 and [Leslie.Stalica@CignaHealthcare.com](mailto:Leslie.Stalica@CignaHealthcare.com); Gloria Russo Perrotta, Legal Compliance Senior Director, Legal & Corporate Affairs, State Government Affairs - Regulatory Operations, Cigna Healthcare, 900 Cottage Grove Road, Hartford, Connecticut 06152 and [Gloria.Perrotta@CignaHealthcare.com](mailto:Gloria.Perrotta@CignaHealthcare.com); and a copy shall be delivered to the Commission's Office of General Counsel and the Bureau of Insurance in care of Deputy Commissioner Julie Blauvelt.