

DEPARTMENT OF COMMERCE & INSURANCE

P.O. Box 690, Jefferson City, Mo. 65102-0690

In Re:

AETNA LIFE INSURANCE
COMPANY (NAIC #60054)

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Market Conduct Investigation No. 374424

ORDER OF THE DIRECTOR

NOW, on this 06th day of March, 2024, 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 Aetna Life Insurance Company (NAIC #60054) (hereinafter “Aetna”), relating to the market conduct investigation no. 374424, does hereby issue the following orders:

This order, issued pursuant to §374.046.15¹ and §374.280 is in the public interest.

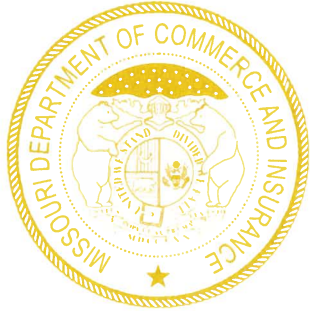
IT IS THEREFORE ORDERED that Aetna and the Division having agreed to the Stipulation, the Director does hereby approve and agree to the Stipulation.

IT IS FURTHER ORDERED that Aetna shall not engage in any of the violations of statutes 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.

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

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 06th day of March, 2024.



Chlora Lindley Myers
Chlora Lindley-Myers
Director

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

In Re:)
)
AETNA LIFE INSURANCE) **Market Conduct Investigation No. 374424**
COMPANY (NAIC #60054))

STIPULATION OF SETTLEMENT

It is hereby stipulated and agreed by the Division of Insurance Market Regulation (hereinafter the “Division”), and Aetna Life Insurance Company (hereinafter “Aetna”), 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, Aetna has been granted a certificate of authority to transact the business of insurance in the State of Missouri;

WHEREAS, the Division conducted a market conduct investigation of Aetna, investigation no. 374424; and

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

1. Aetna requested claim payment refunds more than 12 months after the claim paid date in 19 instances for 15 claims in violation of § 376.384.1(3), RSMo.

2. Aetna performed offsets on 8 claims of the 24 reviewed claims in violation of § 376.384.1(3), RSMo.

3. Aetna misrepresented relevant facts or policy provisions related to the coverages at issue to claimants in 19 instances of the 24 reviewed claims, implicating the provisions of § 375.1007(1), RSMo.

WHEREAS, the Division and Aetna 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.** Aetna 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 the following:

1. Aetna agrees to develop and implement written policies and procedures to ensure that Aetna, and any third party acting on Aetna’s behalf, does not request a claim payment refund or offset against a claim more than 12 months (365 days) after the claim paid date, except in cases of fraud or misrepresentation by the health care provider.

2. Aetna agrees to perform an audit of all claim payment refund requests and offsets that occurred on or after January 1, 2021, for claims involving health care services rendered by Missouri providers to members insured under Missouri health benefit plans. If the audit reveals any instances when a claim payment refund request or claim offset occurred more than 12 months from the claim paid date, and such refund request or offset was not due to fraud or intentional misrepresentation by the provider, Aetna shall:

- a. Return all claim payment refunds Aetna collected as a result of its improper refund requests;
- b. Reverse all claim offsets that occurred more than 12 months from the claim paid date;

- c. Pay interest pursuant to § 374.191 on the improper refunds Aetna collected and improper offset amounts applied; and
- d. Send a letter to the provider and to the member stating that, as a result of a market conduct investigation, the Company determined the claim payment refund Aetna collected or offset Aetna applied is not due.

3. Aetna will develop and implement written policies and procedures to ensure that Aetna, and any third party acting on Aetna's behalf, does not disseminate overpayment letters to claimants which misrepresent relevant facts or the terms of the insurance policies, to the extent not already completed.

C. **Compliance.** Aetna agrees to file documentation pursuant to section 374.190 with the Division, in a format acceptable to the Division, within 90 days of the entry of an Order approving this Stipulation, of any remedial action taken to implement compliance with the terms of this Stipulation.

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

E. **Waivers.** Aetna, after being advised by legal counsel, does hereby voluntarily and knowingly waive any and all rights to 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. 374424.

F. **Amendments.** No amendments to this Stipulation shall be effective unless made in writing and agreed to by authorized representatives of the Division and Aetna.

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

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

I. **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.

J. **Effect of Stipulation.** This Stipulation shall not become effective until entry of an Order by the Director of the Department (hereinafter “Director”) approving this Stipulation.

K. **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: March 4, 2024



Teresa Kroll
Chief Market Conduct Examiner
Division of Insurance Market Regulation

DATED: March 1, 2024



Name: Edward C. Lee
Title: Vice President & Secretary
Aetna Life Insurance Company