

STATE OF OHIO
DEPARTMENT OF INSURANCE

IN THE MATTER OF : **CONSENT ORDER**
COMMUNITY INSURANCE COMPANY :

The Superintendent of the Ohio Department of Insurance (“Department”) is responsible for administering Ohio insurance laws pursuant to Ohio Revised Code (“RC”) Section 3901.011. Community Insurance Company (“CIC”) is authorized to engage in the business of insurance in the State of Ohio pursuant to RC 3929.01 and, as such, is under the jurisdiction of the Superintendent and the Department.

SECTION I

CIC makes available to its existing insured members and to consumers considering the purchase of insurance products an on-line provider list at provider-directory.anthem.com/awp/landing.asp. (hereafter, the “on-line provider directory”). Beginning in or around June 2007, the Department investigated a complaint that CIC is misrepresenting its provider network by identifying providers as “in network” when the providers were unreachable, not in the CIC network and/or in the CIC network, but not accepting new patients. The Department’s investigation included randomly sampling CIC’s on-line provider directory by attempting to contact providers in Hamilton County.

As part of its investigation, the Department attempted to contact a sample of 80 of the 440 psychiatrists listed in the CIC on-line provider directory for Hamilton County. The Department found for Hamilton County that:

1. 26 of the 80 providers (33%) could be reached
2. 15 of the 26 reached (58%) indicated they were participating
3. 12 of the 26 reached (46%) were taking new patients.

*See Exhibit A for details

On or about January 22, 2008, the Department provided CIC with a summary of the Department's findings pertaining to the sample of the Department's investigation in Hamilton County. According to a letter dated March 3, 2008, addressed to Michael Motil, Chief, Market Conduct Division, from Joe Stevens, Director of Governmental Relations at Anthem Blue Cross & Blue Shield, CIC undertook its own investigation of the Department's investigation. The results provided to the Department were:

1. The Company reached 42 of the 73 providers contacted (57%)
2. 42 of the 42 that the Company reached (100%) indicated they were participating
3. 27 of the 42 that that the Company reached (64%) indicated they were accepting new patients.

The Department's investigation to date, as well as CIC's own investigation in Hamilton County, shows that the Company's on-line provider directory for mental health providers is inaccurate and therefore misleading to consumers.

SECTION II

IT IS HEREBY AGREED AND CONSENTED TO BY THE PARTIES THAT:

- A. The Department and CIC enter into this Consent Order to resolve only the allegations as set forth in Section I of this order. Further, CIC admits that the allegations set forth in Section I are true and accurate and that CIC has violated ORC 3901.21 (A) and (B), ORC 3923.16, ORC 1751.20(A), and ORC 1751.31(E).
- B. CIC has been advised that it has a right to a hearing before the Superintendent pursuant to RC Chapter 119 before the Superintendent may impose any sanctions or penalties; that, at a hearing, it would be entitled to appear in person, to be represented by an attorney or other representative who is permitted to practice before the agency; and that, at a hearing, it would be entitled to present its position, arguments, or contentions in writing and to present evidence and examine witnesses appearing for and against it. CIC hereby waives all such rights.

- C. CIC consents to the jurisdiction of the Superintendent and the Department to determine the issues set forth herein. CIC expressly waives any prerequisites to jurisdiction that may exist.
- D. In order to make available to consumers provider directories that are not unfair or misleading, CIC agrees to the following:
1. Conduct monthly audits, using scientific random sampling techniques, which would provide for a 95% confidence level to validate CIC's directories. Continue review of all returned provider mail to identify demographic changes that can be subsequently reflected in CIC's directories.
 2. Monthly, conduct reviews of claim data for providers who have not filed a claim in the previous 12 months.
 3. Monthly interaction with credentialing staff who may become aware of demographic changes.
 4. Utilize a third-party vendor to conduct secret shopper inquiries with providers listed in CIC's directories.
 5. Place a marker in CIC's directories next to those providers that indicates they are not taking new patients.
 6. Place a caveat at the bottom of each page in CIC's directories, indicating that the listing may not be totally accurate.
 7. Communicate more frequently and effectively with providers to facilitate an improved relationship, to include the importance of notifying CIC for changes to address or phone number.
- E. Not later than sixty (60) days after the date of this Order, CIC shall adopt policies and procedures to implement this Consent Order and prevent future provider directory compliance violations. CIC shall file those policies and procedures (and any changes to those policies and procedures as they occur) with the Department. If acceptable to the Department, CIC shall provide those policies and procedures to the business units responsible for development and maintenance of CIC's provider directories. Not later than thirty (30) days after adoption of the policies and procedures, CIC management shall provide to the WellPoint, Inc. Board of Directors Audit Committee a copy of this Consent Order and a copy of the policies and procedures adopted for its directories. To verify compliance with the policies and procedures, CIC's and Wellpoint, Inc.'s Internal Auditor shall include provider directory compliance in future compliance audits. The Department may, from time to time, conduct reviews or examinations to determine the effectiveness of CIC's

policies and procedures in fulfilling the terms of this Consent Order and preventing further compliance violations. If the Department finds that the policies and procedures filed with the Department are inadequate, CIC's Board of Directors shall take immediate actions to remedy compliance violations and correct deficiencies in the policies and procedures that are acceptable to the Department.

- F. CIC waives and releases any and all causes of actions, claims, or rights, known or unknown, which it or they may have against the Department, and any employees, agents, consultants, contractors, or officials of the Ohio Department of Insurance, in their individual and official capacities, as a result of any acts or omissions on the part of such persons or firms.
- G. This Consent Order is binding on CIC and has the full force and effect of an order of the Superintendent. Failure to abide by the terms of this Consent Order shall constitute an actionable violation in and of itself and may subject CIC to any and all remedies available to the Superintendent.
- H. All parties understand and acknowledge that this Consent Order is a public document pursuant to section 149.43 of the Revised Code and shall be entered into the Journal of the Ohio Department of Insurance.

ACKNOWLEDGED AND AGREED TO:

Date: 4/28/08


Erin P. Hoeflinger
President, Chairman
Community Insurance Company

Date: 1 May 2008

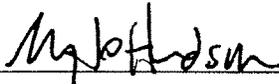

Mary Jo Hudson
Superintendent of Insurance

EXHIBIT A

Department data:

	<u>Hamilton</u>
Providers called	80
Participating	15
Reached	26
Accepting new patients	12

CIC data:

	<u>Hamilton</u>
Providers called	73
Reached	42
Participating	42
Accepting new patients	27