

STATE OF ARIZONA
DEPARTMENT OF INSURANCE

NOV 5 1996

DEPT. OF INSURANCE
BY CWB

In the Matter of:)	Docket No. 96A-195
)	
CIGNA HEALTHCARE OF ARIZONA, INC.)	CONSENT ORDER
)	
Respondent.)	
)	
)	

The Director of Insurance of the State of Arizona (Director) has received evidence voluntarily provided by CIGNA HealthCare of Arizona, Inc. (CIGNA) that CIGNA has used outdoor ads in the State of Arizona without first seeking approval from the Director.

In order to resolve this matter, without the commencement of formal proceedings, Respondent hereby admits that the following Findings of Fact are true and consents to the entry of the following Conclusions of Law and to the Order.

FINDINGS OF FACT

1. The Director is charged with the enforcement of Title 20, Arizona Revised Statutes, relating to insurance.

2. CIGNA HealthCare of Arizona, Inc. is authorized as a Health Care Services Organization under a Certificate of Authority issued by the Director in the State of Arizona pursuant to A.R.S. § 20-1054.

3. On September 11, 1996 CIGNA filed outdoor ads "Medicine is a Science" #9-3-96 and "Keeping Women Healthy..." #9-4-96 with the Director for his approval or disapproval pursuant to A.R.S. § 20-1057.

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4. Outdoor ads #9-3-96 and 9-4-96 were displayed on billboards, busboards and bus shelters in Arizona prior to the time CIGNA filed the ads on September 11, 1996.

5. Outdoor ads #9-3-96 and 9-4-96 were not approved by the Director of Insurance prior to their use in Arizona.

CONCLUSIONS OF LAW

1. The Director has jurisdiction over this matter.

2. By failing to file advertising material for approval by the Director prior to use, CIGNA violated A.R.S. § 20-1057(D) and (G).

ORDER

CIGNA HealthCare of Arizona, Inc. having admitted the jurisdiction of the Director to enter into this Order, having waived the Notice of Hearing, and having consented to the entry of this Order, and there being no just reason for delay:

IT IS HEREBY ORDERED THAT:

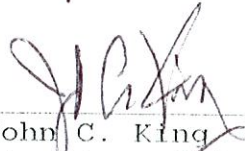
1. CIGNA shall cease and desist from disseminating advertising matter in Arizona which has not been filed with, and approved by, the Director.

2. CIGNA shall pay a civil penalty of Two Thousand Dollars (\$2,000) to the Director of Insurance, within 20 days from the date of the entry of this Order, for remission to the State Treasurer for deposit in the State General Fund.

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3. The outdoor ads #9-3-96 and 9-4-96 filed on September 11, 1996 are approved with the entry of the Order.

DATED this 5th day of November, 1996.



John C. King
Director of Insurance

1 CONSENT TO ORDER

2 1. Respondent, CIGNA HealthCare of AZ, Inc., has reviewed
3 the foregoing Order.

4 2. Respondent is aware of its right to a hearing at which
5 hearing Respondent may be represented by counsel, present evidence
6 and cross-examine witnesses. Respondent has irrevocably waived
7 its right to such public hearing and to any court appeals relating
8 thereto.

9 3. Respondent admits the jurisdiction of the Director of
10 Insurance, State of Arizona, admits the foregoing Findings of Fact
11 and consents to the entry of the foregoing Conclusions of Law and
12 to the Order.

13 4. Respondent states that no promise of any kind or nature
14 whatsoever was made to induce it to enter into this Order and that
15 it has entered into this Order voluntarily.

16 5. Respondent acknowledges that the acceptance of this Order
17 by the Director of Insurance, State of Arizona, is solely for the
18 purpose of settling this litigation against it and does not
19 preclude any other agency or officer of this state or subdivision
20 thereof from instituting other civil or criminal proceedings as
21 may be appropriate now or in the future.

22 6. Clyde A. Wright, M.D. represents that as
23 President and General Manager ~~he/she~~ is an officer of CIGNA
24 HealthCare of Arizona, Inc. and that, as such, he/she has been
25 authorized by it to enter into this Order for and on its behalf.

26 CIGNA HEALTHCARE OF ARIZONA, INC.

27 October 30, 1966
28 (date)

By

Clyde A. Wright, M.D.
Clyde A. Wright, M.D.

1 COPY of the foregoing mailed/delivered
2 this 5th day of November , 1996, to:

- 3 Charles R. Cohen
Deputy Director
- 4 Gregory Y. Harris
Executive Assistant Director
- 5 Erin Klug
Chief Market Conduct Examiner
Market Conduct Examinations Division
- 6 Paul J. Hogan
Examinations Supervisor
Market Conduct Examinations Division
- 7 Mary Butterfield
Assistant Director
Life and Health Division
- 8 Deloris E. Williamson
Assistant Director
Rates & Regulations Division
- 9 Gary Torticill
Assistant Director and Chief Financial Examiner
Corporate & Financial Affairs Division
- 10 Cathy O'Neil
Assistant Director
Consumer Services and Investigations

14 DEPARTMENT OF INSURANCE
15 2910 North 44th Street, Suite 210
16 Phoenix, AZ 85018

17 Clyde A. Wright, M.D.
18 Nancy Bucklin, Counsel

19 CIGNA HEALTHCARE OF ARIZONA, INC.
20 2201 East Camelback Road
21 Suite 300-B
22 Phoenix, AZ 85016

23
24 Carney D. Buster
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