

PRESS RELEASE

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ARIZONA DEPARTMENT OF INSURANCE ORDERS METLIFE TO COMPLY WITH HEALTH INSURANCE LAWS

Metropolitan Life Insurance Company (MetLife) was ordered to cease and desist from violating health care appeals and group health insurance laws by the Arizona Department of Insurance on November 21, 2002.

The Department of Insurance conducted an examination of MetLife covering the period of January 1, 2000 through May 31, 2001. The Department found that during that time period MetLife failed to offer a guaranteed issue health benefit plan to Arizona small employers. As a condition of doing business in this state, all health insurers in the group health market must offer at least one health benefit plan to small employers (2-50 employees) which is guaranteed to be issued regardless of the health status of the employees in the group.

In addition, MetLife failed to comply with several Arizona health care appeals laws. The health care appeals process is available to claimants insured under most types of group and individual health insurance policies issued in Arizona. In order for the appeals process to be effective, insurers must adhere to strict notification requirements and timeframes. MetLife failed to comply with three: sending an information packet

regarding health care appeals to members at the time coverage is initiated; providing written acknowledgment to an appealing member and his treating provider within 5 business days of the receipt of an appeal; and mailing notification of formal appeals decisions (including the criteria used and clinical reason for the decision) to members within 60 days of receipt of an appeal.

MetLife was ordered to implement a corrective action plan to remedy the identified violations, and to pay a civil penalty of \$53,000 for deposit in the State General Fund.

Consumers can learn more about their rights under Arizona's Health Care Appeals laws by obtaining a copy of Department of Insurance publication, "A Consumer Guide to Health Care Appeals". The brochure is available on our website at www.state.az.us/id/publications, or by calling (602) 912-8444 or (800) 325-2548. Additionally, consumers are encouraged to review the appeals information packet from their health insurer. Health insurers must provide, on request, an information packet which provides appeal information specific to the health insurer.

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