

WES MOORE
Governor

ARUNA MILLER
Lt. Governor



MARIE GRANT
Commissioner

JOY Y. HATCHETTE
Deputy Commissioner

MARY KWEI
Associate Commissioner
Market Regulation & Professional
Licensing

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March 13, 2026

ELECTRONIC MAIL

Cigna Health & Life Insurance Company
c/o Tammy Cook
900 Cottage Grove Rd.
Bloomfield, CT 06002
Tammy.cook@cignahealth.com

Re: MIA v. Cigna Health & Life Insurance Company
Case No.: MIA-2026-03-009

Dear Ms. Cook

A copy of the fully executed Consent Order is enclosed for your records. Additionally, this will confirm that the administrative penalty payment made in compliance with the Consent Order has been received.

If you have any questions regarding this Consent Order, you may contact the Associate Commissioner of Market Regulation and Professional Licensing at 410-468-2113.

Sincerely,

orders.mia@maryland.gov

Enclosure

cc:

Mary Kwei, Associate Commissioner, Market Regulation and Professional Licensing
Brianna Davidson Jarrett, Assistant Attorney General
Craig Ey, Chief of Communications & Public Engagement
Joe Sviatko, Communications Director
Pam Gilbert, Office Manager, Office of the Attorney General
Markitta Gaston, Administrative Assistant, Market Regulation & Professional Licensing

Sharon Fountain, Director, Mental Health & Network Adequacy, Market Regulation & Professional Licensing

Michael Bush, Life & Health Chief, Market Regulation & Professional Licensing

MARYLAND INSURANCE ADMINISTRATION*
200 ST. PAUL PLACE, SUITE 2700
BALTIMORE, MARYLAND 21202

*** CASE NO.: MIA-2026-03-009**

v.

CIGNA HEALTH AND LIFE INSURANCE COMPANY *
(NAIC #67369) *
900 COTTAGE GROVE ROAD
BLOOMFIELD, CT 06002

*** INVESTIGATION NO: MCLH-149-2025-I**

* * * * *

CONSENT ORDER

This Consent Order is issued by the Maryland Insurance Administration (“Administration” or “MIA”) against Cigna Health and Life Insurance Company (“Respondent”) with its consent, pursuant to §§ 2-108 and 2-204 of the Insurance Article, Md. Code Ann. (2017 Repl. Vol. & Supp.) (“Insurance Article”).¹

FINDINGS

1. At all times relevant to this Consent Order, the Respondent has held and currently holds a certificate of authority from the Administration to operate in the State as an insurer.

2. On November 12, 2025, a Market Conduct investigation was opened into the Respondent’s practice of “downcoding” Evaluation and Management (“E/M”) Codes on the basis of a referral from the Maryland Insurance Administration’s Life & Health Complaints Unit. The process of downcoding involves the practice of a carrier modifying service codes, including E/M Codes, on claims submitted by providers to lower-level and lower-paying codes.

¹ Unless otherwise indicated, all statutory references in this Order are to the Insurance Article of the Maryland Code.

3. The Complaint investigation MIA-2025-8-28-00180148 was focused on the Respondent's Evaluation and Management Coding and Accuracy Reimbursement Policy, a program that identifies providers who have been identified within their system for billing claims with high-level E/M Codes at a higher frequency than their peers. In a response dated September 18, 2025, the Respondent explained their process of adjusting E/M Codes at the claim line level when disputing the coding level and paying the provider the amount for the lower-level code. If the provider disagrees with the changes made, they would then submit further documentation through an appeal process. In the Administration's response to the Respondent dated September 29, 2025, the Administration identified that the actions being described in the Reimbursement Policy were downcoding, which is not permitted under the Maryland Insurance Article provisions cited herein. The case was then referred to the Market Conduct Unit shortly thereafter for further investigation.

4. On November 24, 2025, the Administration sent an interrogatory to the Respondent to request information on the Respondent's E/M code processing procedures. In their response of December 15, 2025, the Respondent affirmed that their policy and practice is to adjust the coding based on their internal assessment only and issue payment for the lower-level code, requiring the provider to appeal the decision by providing additional information if they disagree. This procedure was corroborated in the Evaluation and Management Coding and Accuracy (R49) Reimbursement Policy and the Policy Narrative document that the Respondent provided with the response.

CONCLUSIONS OF LAW

5. Section 15-1005 of the Maryland Insurance Article states, in pertinent part:

(a) [W]ithin 30 days after receipt of a claim for reimbursement from a person entitled to reimbursement...an insurer, nonprofit health service plan or health maintenance organization shall:

(1) mail or otherwise transmit payment for the claim in accordance with this section; or

(2) send a notice of receipt and status of the claim that states:

(i) that the insurer, nonprofit health service plan, or health maintenance organization refuses to reimburse all or part of the claim and the reason for the refusal;

(ii) that, in accordance with §15-1003 (d)(1)(ii) of this subtitle, the legitimacy of the claim or the appropriate amount of reimbursement is in dispute and additional information is necessary to determine if all or part of the claim will be reimbursed and what specific additional information is necessary; or

(iii) that the claim is not clean and the specific additional information necessary for the claim to be considered a clean claim.

* * *

(b) An insurer, nonprofit health service plan, or health maintenance organization that violates a provision of this section is subject to:

(1) a fine not exceeding \$500 for each violation that is arbitrary and capricious based on all available information[.]

6. Code of Maryland Regulations ("COMAR") 31.10.11.10 states, in pertinent part:

A. A third-party payor may require a health care practitioner, hospital, or person entitled to reimbursement to include any of the following attachments to a HCFA Form UB-92 or HCFA Form 1500, respectively, for a claim to qualify as a clean claim:

* * *

(10) Information related to the audit as specified in writing by the third-party payor, if the third-party payor's audit of the

health care practitioner, hospital, or person entitled to reimbursement demonstrated a pattern of fraud, improper billing, or improper coding[.]

7. COMAR 31.10.11.11 states, in pertinent part:

A. The following are permissible categories of disputed claims for which third-party payors may request additional information pursuant to Insurance Article, §§15-1004(c) and 15-1005(c), Annotated Code of Maryland:

(8) A reasonable belief of fraudulent or improper coding consistent with the bases for a carrier's retroactive denial as set forth in Insurance Article, §15-1008(e), Annotated Code of Maryland[.]

8. Section 4-113(b)(5) of the Insurance Article permits the Commissioner to impose a penalty upon an insurer who delays payment of amounts due to a claimant without just cause.

9. Sections 15-1005 of the Insurance Article and COMAR 31.10.11.10 permit a carrier to conduct an audit of a provider, and, if the audit shows a pattern of improper billing or improper coding, to require the provider to submit medical records with each claim. If the provider does not attach the medical records, then the claim is not clean, and the carrier must send a notice of receipt and status of the claim that states the claim is not clean and the specific information required to make it clean. Section 15-1005 and COMAR 31.10.11.11A(8) permit a carrier with a reasonable belief of improper coding to send a notice of receipt and status of the claim that states that the legitimacy of the claim is in dispute and the additional information that is necessary to determine whether the claim will be reimbursed.

The Administration finds that Respondent failed to comply with the requirements of § 15-1005(c) because, instead of responding to claims for reimbursement in accordance with the requirements of the sections of the Insurance Article and COMAR that have been referenced herein, which require the Respondent to indicate whether the claim will be paid or denied, partially paid or denied, and whether additional information is needed, the Respondent adjusted the billing code to a lower billed health care service.

The Administration further finds that the above failures of the Respondent resulted in the delay of amounts properly owed to claimants under the initial billing codes submitted, and the Respondent is thereby penalized pursuant to §§ 4-113(b)(5) and (d).

ORDER AND CONSENT

WHEREFORE, it is **ORDERED** by the Commissioner and consented to by Respondent, that

A. Pursuant to § 4-113 of the Maryland Insurance Article, and for the reasons set forth above, Respondent shall pay an administrative penalty to the State of Maryland for the violations stated herein in the amount of Eighty Thousand dollars (\$80,000.00) contemporaneously with the Respondent's execution of this Consent Order. The administrative penalty shall be made payable to the Maryland Insurance Administration and shall identify the case by number MCLH-149-2025-I.

B. Respondent agrees that no amounts paid pursuant to Paragraph A of this Consent Order shall be included in or recoverable as expenses in any rate filing filed with the Administration or any other regulatory authority.

C. On or before 30 days from the date of Respondent's execution of this Consent Order, Respondent shall cease the automatic reduction of the code level of billed

evaluation and management codes and provide documentation they have aligned their Evaluation and Management Coding and Accuracy (R49) Reimbursement Policy to follow the Maryland laws cited above. .

OTHER PROVISIONS

D. The executed Consent Order and administrative penalty shall be sent to the attention of: Mary Kwei, Market Regulation & Professional Licensing, 200 St. Paul Place, Suite 2700, Baltimore, MD 21202. The check shall include the case number: MCLH-149-2025-I. You have the option to pay this order by credit card or e-check (ACH) by following this link: <https://insurance.maryland.gov/Pages/Electronic-Administrative-Penalty-Payment.aspx> . Please include the Case number referred to in this paragraph. Select the unit name (Mkt. Reg / Prof. Lic). Unpaid penalties will be referred to the Central Collection Unit for collections.

E. For the purposes of the Administration and for any subsequent administrative or civil proceedings concerning Respondent, whether related or unrelated to the foregoing paragraphs, and with regard to requests for information about Respondent made under the Maryland Public Information Act, or properly made by governmental agencies, this Consent Order will be kept and maintained in the regular course of business by the Administration. For the purposes of the business of the Administration, the records and publications of the Administration will reflect this Consent Order.

F. The parties acknowledge that this Consent Order resolves all matters relating to the factual assertions and agreements contained herein and are to be used

solely for the purposes of this proceeding brought by or on behalf of the Administration. Nothing herein shall be deemed a waiver of the Commissioner's right to proceed in an administrative action or civil action for violations not specifically identified in this Consent Order, including, but not limited to, specific consumer complaints received by the Administration, nor shall anything herein be deemed a waiver of the right of Respondent to contest other proceedings by the Administration. This Consent Order shall not be construed to resolve or preclude any potential or pending civil, administrative, or criminal action or prosecution by any other person, entity or governmental authority, including, but not limited to, the Insurance Fraud Division of the Administration, regarding any conduct by Respondent including the conduct that is the subject of this Consent Order.

G. Respondent has had the opportunity to have this Consent Order reviewed by legal counsel of its choosing, and is aware of the benefits gained and obligations incurred by the execution of the Consent Order. Respondent waives any and all rights to any hearing or judicial review of this Consent Order to which it would otherwise be entitled under the Insurance Article with respect to any of the determinations made or actions ordered by this Consent Order.

H. This Consent Order contains the entire agreement between the parties relating to the administrative actions addressed herein. This Consent Order supersedes any and all earlier agreements or negotiations, whether oral or written. All time frames set forth in this Consent Order may be amended or modified only by subsequent written agreement of the parties.

RESPONDENT'S CONSENT

RESPONDENT hereby CONSENTS to the representations made in, and to the terms of, the above Consent Order. On behalf of Respondent, the undersigned hereby affirms that he or she has taken all necessary steps to obtain the authority to bind Respondent to the obligations stated herein and does, in fact, have the authority to bind Respondent to the obligations stated herein resolving market conduct action number MCLH-149-2025-I.

Name: Gloria Russo Perrotta

A handwritten signature in cursive script that reads "Gloria Russo Perrotta".

Signature:

Title: Legal Compliance Managing Director

Date: February 25, 2026