



Ohio Revised Code Section 3922.23 Violation; Penalties.

Effective: December 26, 2011

Legislation: House Bill 218 - 129th General Assembly

A violation of this chapter shall be an unfair or deceptive act or practice under sections 3901.19 to 3901.26 of the Revised Code. Additionally, health plan issuers holding a certificate of authority from the superintendent are also subject to the following:

(A) If, after notice and hearing, the superintendent of insurance finds that a health plan issuer has failed to comply with the requirements of this chapter, the superintendent may suspend or revoke the health plan issuer's license to transact business within the state.

(B)(1) In lieu of the suspension or revocation of a license under division (A) of this section, the superintendent of insurance, pursuant to an adjudication hearing initiated and conducted in accordance with Chapter 119. of the Revised Code, or by consent of the health plan issuer without an adjudication hearing, may levy an administrative penalty. The administrative penalty shall be in an amount determined by the superintendent, but the administrative penalty shall not exceed one hundred thousand dollars per violation. Additionally, the superintendent may require the health plan issuer to correct any deficiency that may be the basis for the suspension or revocation of the health plan issuer's license. All penalties collected shall be paid into the state treasury to the credit of the department of insurance operating fund.

(2) If the superintendent for any reason has cause to believe that any violation of the requirements of this chapter has occurred or is threatened, the superintendent may give notice to the health plan issuer and to the representatives or other persons who appear to be involved in the suspected violation to arrange a conference with the suspected violators or their authorized representatives for the purpose of attempting to ascertain the facts relating to the suspected violation, and, if it appears that any violation has occurred or is threatened, to arrive at an adequate and effective means of correcting or preventing the violation.

Proceedings shall not be covered by any formal procedural requirements, and may be conducted in the manner the superintendent may consider appropriate under the circumstances.



(3)(a) The superintendent may issue an order directing a health plan issuer or a representative of the issuer to cease and desist from engaging in any act or practice in violation of the requirements of this chapter. Within thirty days after service of the order to cease and desist, the respondent may request a hearing on the question of whether acts or practices in violation of those sections have occurred. Such hearings shall be conducted in accordance with Chapter 119. of the Revised Code and judicial review shall be available as provided by that chapter.

(b) If the superintendent has reasonable cause to believe that an order has been violated in whole or in part, the superintendent may request the attorney general to commence and prosecute any appropriate action or proceeding in the name of the state against the violators in the court of common pleas of Franklin county. The court in any such action or proceeding may levy civil penalties, not to exceed one hundred thousand dollars per violation, in addition to any other appropriate relief, including requiring a violator to pay the expenses reasonably incurred by the superintendent in enforcing the order. The penalties and fees collected shall be paid into the state treasury to the credit of the department of insurance operating fund.