

OFFICE OF STATE ETHICS

DOCKET NUMBER 2013-19	:	OFFICE OF STATE ETHICS
	:	
IN THE MATTER OF A	:	18-20 TRINITY STREET
	:	
COMPLAINT AGAINST	:	HARTFORD, CT 06106
	:	
UNITED HEALTHCARE	:	SEPTEMBER 12, 2014
SERVICES, INC.	:	

STIPULATION AND CONSENT ORDER

Pursuant to the Code of Ethics, General Statutes § 1-79, et seq., Thomas K. Jones, Ethics Enforcement Officer for the Office of State Ethics (“OSE”), issued a Complaint against the Respondent, United Healthcare Services, Inc. (“UHS” or “Respondent”) for violations of the Code of Ethics for Lobbyists, General Statutes §§ 1-96 (a) and (e).

Based on the investigation by the Enforcement Division of the OSE, the Ethics Enforcement Officer finds there is probable cause to believe that the Respondent, who was a client lobbyist registrant, violated the Code of Ethics as set forth in the Complaint.

The Parties have entered into this Stipulation and Consent Order following the issuance of the Complaint, but without any adjudication of any issue of fact or law herein.

I. STIPULATION

The Office of State Ethics and the Respondent stipulate to the following facts:

1. During 2012, Respondent UHS, was a client lobbyist registrant as defined in General Statutes § 1-91 (q) and (u).

2. Pursuant to General Statutes § 1-96, a client lobbyist registrant is required to file periodic financial reports, signed under penalty of false statement.

3. Under General Statutes § 1-96 (a), the periodic financial reports shall cover the client lobbyist registrants lobbying activities during the period covered. More specifically, the April and July reports shall cover its lobbying activities during the previous calendar quarter and the January report shall cover its lobbying activities during the previous two calendar quarters.

4. Furthermore, under General Statutes § 1-96 (e), the financial reports must include an itemized statement of each expenditure of ten dollars or more per person for each occasion made by the reporting registrant or a group of registrants which includes the reporting registrant for the benefit of a public official in the legislative or executive branch, a member of his staff or immediate family, itemized by date, beneficiary, amount and circumstances of the transaction.

5. Pursuant to General Statutes § 1-96 (e) and Regulations of Connecticut State Agencies § 1-92-48 (b), the financial reports of all client registrants...“shall include a detailed statement of each expenditure, valued at ten dollars or more per person per occasion or transaction, made for the benefit of a public official or a member of a public official’s staff or immediate family, whether the expenditures are in furtherance of lobbying or unrelated to lobbying.”

6. On September 4, 2012, during the Democratic National Convention, the Respondent hosted a dinner at a restaurant in Charlotte, North Carolina. Three state employees, public officials and/or members of a public official’s staff or immediate family attended the dinner.

7. Although the cost per person for the dinner exceeded ten dollars, the Respondent failed to itemize any of the expenditures on its third and fourth quarter financial report of 2012 (ETH-2D).

8. The failure to file a ETH-2D for the third and fourth quarter of 2012 that accurately reflected these expenditures, constitutes a violation of General Statutes § 1-96 (a).

9. The failure to itemize any of these expenditures on its third and fourth quarter financial report of 2012 (ETH-2D), constitutes a violation of General Statutes § 1-96 (e).

10. Respondent admits to the foregoing facts and admits that such facts constitute violations of the Code of Ethics, General Statutes §§ 1-96 (a) and 1-96 (e).

II. RESPONDENT'S POSITION

1. Respondent states that such conduct was inadvertent and not intentional.

2. Respondent states that it has cooperated with the Office of State Ethics in this case; and the Respondent does not have a prior enforcement history with the Office of State Ethics.

3. Respondent states that it is resolving this matter to avoid further litigation.

III. JURISDICTION

1. The Ethics Enforcement Officer is authorized to investigate the Respondent's acts as set forth herein and to issue a Complaint against the Respondent.

2. The provisions of this Stipulation and Consent Order apply to and are binding upon the Respondent.

3. The Respondent hereby waives all objections and defenses to the jurisdiction of the Office of State Ethics over matters addressed in this Stipulation and Consent Order.

4. The Respondent waives any rights it may have under General Statutes §§ 1-91, 1-93, 1-93a, 1-87 and 1-88, including the right to a hearing or appeal in this case, and agrees with the Office of State Ethics to an informal disposition of this matter as authorized by General Statutes § 4-177 (c).

5. The Respondent consents to jurisdiction and venue in the Connecticut Superior Court, Judicial District of Hartford, in the event that the State of Connecticut seeks to enforce this Stipulation and Consent Order. The Respondent recognizes that the Connecticut Superior Court has the authority to specifically enforce the provisions of this Stipulation and Consent Order, including the authority to award equitable relief.

6. The terms set forth herein are in addition to, and not in lieu of, any other existing or future statutory, regulatory, or other legal obligation that may be applicable to the Respondent.

7. The Respondent understands that it has the right to counsel and has been represented by counsel throughout the investigation and the negotiation of this Consent Order.

IV. ORDER

NOW THEREFORE, pursuant to General Statutes § 4-177 (c), the Office of State Ethics hereby **ORDERS**, and the Respondent agrees, that:

1. Pursuant to General Statutes § 1-88 (a) (1), the Respondent will heretofore cease and desist from any future violation of General Statutes § 1-96 (a).

2. Pursuant to General Statutes § 1-88 (a) (1), the Respondent will heretofore cease and desist from any future violation of General Statutes § 1-96 (e).

3. Pursuant to General Statutes § 1-88 (a) (3), the Respondent will pay a civil penalty to the State in the amount of five thousand dollars (\$5,000) for its alleged violation of General Statutes §§ 1-96 (a) and 1-96 (e) as set forth in the Complaint.

WHEREFORE, the Office of State Ethics and the Respondent hereby execute this Stipulation and Consent Order dated September 12, 2014.

Dated: 10/23/14


United Healthcare Services, Inc.
9900 Breen Road East
Minnetonka, MN 55343

Dated: 10/23/2014


Charles F. Chiusano, Chairman
Citizen's Ethics Advisory Board of the Office
of State Ethics
18-20 Trinity Street, 2nd Floor
Hartford, CT 06106