

**BEFORE THE INSURANCE COMMISSIONER OF THE
STATE OF OKLAHOMA**

FILED

FEB 15 2013

INSURANCE COMMISSIONER
OKLAHOMA

STATE OF OKLAHOMA, ex rel. JOHN D.)
DOAK, Insurance Commissioner,)
)
Petitioner,)
v.)
RAGSDALE FUNERAL CENTER)
)
Respondent.)
)
Prepaid Funeral Benefits Permit 863209)

Case No. 13-0094-DIS

**NOTICE OF RIGHT TO HEARING WITH CONDITIONAL ORDER OF
DISCIPLINARY ACTION**

The State of Oklahoma, ex rel., John D. Doak, Insurance Commissioner, alleges and states as follows:

JURSDICTION AND AUTHORITY

1. John D. Doak is the Insurance Commissioner of the State of Oklahoma ("the Insurance Commissioner") and, as such, is charged with the duty of administering and enforcing all provisions of the Oklahoma Insurance Code, 36 O.S. §§ 101 et seq., including the Prepaid Funeral Benefits Act: 36 O.S. §§ 6121-6136.18.

2. The Respondent Ragsdale Funeral Center ("the Permit Holder") is a permitted provider of Prepaid Funeral Benefit Contracts in the State of Oklahoma and holds Permit Number 863209.

3. The Insurance Commissioner may suspend or revoke a prepaid funeral permit or impose a fine in the amount of from \$100 to \$1,000 -- or impose both such disciplinary

actions -- if a permit holder violates any provision of the Prepaid Funeral Benefits Act. See 36 O.S. § 6130 (B).

FINDINGS OF FACT

1. John D. Doak is the Insurance Commissioner of the State of Oklahoma and, as such, is charged with the duty of administering and enforcing all provisions of the Oklahoma Prepaid Funeral Benefits Act: 36 O.S. §§ 6121-6136.18.

2. Respondent is a permitted provider of Prepaid Funeral Benefits in the state of Oklahoma pursuant to 36 O.S. § 6121 and 36 O.S. § 6124, holding Permit Number 863209.

3. A Prepaid Funeral Benefits Examination of this Permit Holder was called on January 6, 2012 pursuant to 36 O.S. §§ 309.1-309.7; 6129-6129.1. To begin the examination, the Permit Holder must first submit required documentation to the Insurance Commissioner after service of the Examiner's "Lead Sheet Request" letter, which lists all required items the Permit Holder must make available to the Examiner. The Lead Sheet Request letter was sent to the Permit Holder on August 8, 2012.

4. Since that time, the Permit Holder has failed and refused to give the Insurance Commissioner any required documentation. There have been numerous conversations by the Insurance Commissioner's staff with the Permit Holder and multiple assurances from the Permit Holder that the documents would be submitted, with no action by the Permit Holder. Since November 8, 2012, the Insurance Commissioner's staff has been unsuccessful at getting in touch with Permit Holder personnel, as there is an answering service that takes messages for the Permit Holder and calls are not returned.

CONCLUSIONS OF LAW

1. The Permit Holder failed to comply with Examination procedures and processes, and has even avoided communicating with the Insurance Commissioner's staff about the matter, thus violating 36 O.S. §§ 309.1-309.7; 6129-6129.1. Such actions constitute a substantial breach of the Permit Holder's obligations to its trust members and to the citizens of Oklahoma.

2. The Insurance Commissioner may suspend or revoke a Prepaid Funeral Permit or impose a fine in the amount of from \$100 to \$1,000 -- or impose both such disciplinary actions -- if a permit holder violates any provision of the Prepaid Funeral Benefits Act. See 36 O.S. § 6130 (B).

CONDITIONAL ORDER

IT IS THEREFORE ORDERED that Prepaid Funeral Benefits Permit Number 863209 issued to Ragsdale Funeral Center be revoked effective as of thirty (30) days after receipt of this Order and Notice unless within said time period the Permit Holder (1) requests an administrative hearing as described below, or (2) fully complies with the requirements of the Examiner for the initiation and proper conduct of its Prepaid Funeral Benefits Examination.

IT IS FURTHER ORDERED that the Permit Holder may request a Hearing within thirty (30) days of receipt of this Order and Notice to determine if any reasons exist that should preclude any of the actions described herein. Any request for Hearing should be in writing, addressed to Kelley C. Callahan, Senior Attorney, Oklahoma Insurance Department, Five Corporate Plaza, 3625 N.W. 56th, Suite 100, Oklahoma City, OK 73112, **and give an explanation of Respondents' actions alleged herein and any defenses thereto.** **If**

Respondent does not request a hearing within the 30 days allotted, this Order shall become a FINAL ORDER on the 31st day following the receipt of the Order, and the revocation ordered herein shall go into effect. Any such hearing shall be conducted according to the procedures for contested cases under the Oklahoma Insurance Code and 75 O.S. §§ 250-327. The allegations contained herein shall be the subject matter for the hearing, and such allegations may be amended as additional information is discovered. The Commissioner or his appointed Hearing Examiner reserves the right to impose additional or different administrative discipline at a Hearing, if warranted.

WITNESS My Hand and Official Seal this 15th day of February, 2013.



A handwritten signature in black ink, appearing to read "Paul Wilkening".

PAUL WILKENING
Chief Deputy Insurance Commissioner
Oklahoma Insurance Department


CERTIFICATE OF MAILING

I, Kelley C. Callahan, hereby certify that a true and correct copy of the attached Notice of Right to Hearing with Conditional Order of Disciplinary Action was mailed certified mail, return receipt requested on the 15th day of February, 2013 to:

Ted Ragsdale, FDIC
Ragsdale Funeral Center
2200 Military Drive
P.O. Box F
Muskogee, OK 74402

A copy was mailed, regular mail to:

Oklahoma Funeral Board
ATTN: Chris Ferguson, Deputy Director
4545 North Lincoln, Suite 175
Oklahoma City, OK 73105



KELLEY C. CALLAHAN
Senior Attorney

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

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Ted Ragsdale, FDIC
Ragsdale Funeral Center
2200 Military Drive
P.O. Box F
Muskogee, OK 74402
sms/13-0094-DIS/Notice of Right

PS Form 3800, January 2001 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) C. Date of Delivery</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to:</p> <div style="border: 1px solid black; padding: 10px; margin: 10px 0; text-align: center;"> Ted Ragsdale, FDIC Ragsdale Funeral Center 2200 Military Drive P.O. Box F Muskogee, OK 74402 sms/13-0094-DIS/Notice of Right </div>	<p style="text-align: center;">OKLAHOMA INSURANCE DEPARTMENT FEB 26 2013 Level Division</p>
<p>2. Article Number (Transfer from service label)</p>	<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>7001 0320 0003 9967 2085</p>	<p>PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540</p>