

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

FILED
APR 11 2013
INSURANCE COMMISSIONER
OKLAHOMA

STATE OF OKLAHOMA, ex rel. JOHN D.)
DOAK, Insurance Commissioner,)
)
Petitioner,)
)
v.)
)
WATERSTONE BENEFIT)
ADMINISTRATORS, LLC.,)
a resident third party)
administrator,)
)
Respondent.)

Case No. 13-0306-DIS

CONDITIONAL ADMINISTRATIVE ORDER
AND NOTICE OF RIGHT TO BE HEARD

COMES NOW the State of Oklahoma, ex rel. John D. Doak, Insurance Commissioner, by and through his attorney, Julie Meaders, and alleges and states as follows:

JURISDICTION

1. John D. Doak is the Insurance Commissioner of the State of Oklahoma and is charged with the duty of administering and enforcing all provisions of the Oklahoma Insurance Code, 36 O.S. §§ 101 et seq.
2. Respondent Waterstone Benefit Administrators, LLC. was formerly licensed by the State of Oklahoma as a resident third-party administrator holding license 862915. Its address of record is 4013 NW Expressway, Suite 575, Oklahoma City, Oklahoma 73116.
3. The Commissioner may either suspend or revoke a third-party administrator's license or assess a civil penalty of not more than Five Thousand Dollars (\$5,000.00) for each occurrence of a violation of any of the provisions of the Oklahoma Insurance Code. 36 O.S. § 1450(G).

ALLEGATIONS OF FACT

1. Respondent's Oklahoma third party administrator license lapsed on October 31, 2009 and Respondent failed to renew. Respondent continued to submit its Third Party Administrator Annual reports for 2010 and 2011.
2. The annual reports document that Respondent continued to operate as a third party administrator in Oklahoma while unlicensed.
3. Any person who is acting as or presenting himself to be an administrator without a valid license shall be subject, upon conviction, to a fine of not less than One Thousand Dollars (\$1,000.00) nor more than Ten Thousand Dollars (\$10,000.00) for each occurrence. 36 O.S. § 1450(H).

ALLEGED VIOLATIONS OF LAW

1. Respondent is in violation of 36 O.S. § 1450(H) for acting as or presenting itself to be a third party administrator in Oklahoma without a valid license.

ORDER

IT IS THEREFORE ORDERED by the Insurance Commissioner that Waterstone Benefit Administrators LLC is **FINED ONE THOUSAND DOLLARS (\$1,000.00)** for **EACH** biennial period it operated without a license. **The \$2,000.00 fine is to be paid within thirty (30) days** made payable to the Oklahoma Insurance Department. Respondent's third-party administrator license shall not be reinstated until the \$2,000.00 fine is paid.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED by the Insurance Commissioner that this Order is a Conditional Order. Unless the Respondent requests a hearing with respect to the Allegations of Fact set forth above within thirty (30) days of the date of mailing of this Order, this Order and the penalties set forth above shall become a Final Order on

the thirty-first day following the date of mailing this Order. A request for hearing should be in writing addressed to Julie Meaders, Oklahoma Insurance Department, Legal Division, 3625 NW 56th Street, Oklahoma City, Oklahoma 73112. The request for hearing must state the grounds for the request to set aside or modify the Order.

Any such hearing shall be conducted according to the procedures for contested cases under the Insurance Code and 75 O.S. § 250-323. If the Respondent serves a timely request for hearing on the Oklahoma Insurance Department, this Conditional Order shall act as notice of the matters to be reviewed at the hearing, and the Allegations of Fact, Alleged Violations of Law, and penalties imposed in this Conditional Order shall be considered withdrawn, pending final resolution at the hearing.

WITNESS My Hand and Official Seal this 11th day of April, 2013.



JOHN D. DOAK
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

Julie Meaders
Julie Meaders
Assistant General Counsel
3625 N.W. 56th Street
Oklahoma City, OK 73112
Telephone: (405) 521-2746
Facsimile: (405) 522-0125

CERTIFICATE OF MAILING

I, Julie Meaders, hereby certify that a true and correct copy of the above and foregoing Conditional Administrative Order and Notice of Right to be Heard was mailed by certified mail with postage prepaid and return receipt requested on this 11th day of April, 2013.
to:

Waterstone Benefit Administrators, LLC
4013 NW Expressway, Suite 575
Oklahoma City, OK 73116

CERTIFIED MAIL NO: 7001 0320 0003 9966 6848

and a copy was delivered to:

DeAnn Robinson/Financial Division



JULIE MEADERS
ASSISTANT GENERAL COUNSEL

U.S. Postal Service CERTIFIED MAIL RECEIPT <i>(Domestic Mail Only; No Insurance Coverage Provided)</i>	
OFFICIAL USE	
Postage \$	
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage &	Waterstone Benefit Administrators, LLC
Sent To	4013 NW Expressway, Suite 575
Street, Apt. No., or PO Box No.	Oklahoma City, OK 73116
City, State, ZIP+4	13-0306-DIS/JAM(mt)Cond.Adm.Ord.
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 checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee <i>R. Boulware</i></p> <p>B. Received by (Printed Name) <i>R. Boulware</i></p> <p>C. Date of Delivery <i>4-12-13</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:</p>
<p>1. Article Addressed to:</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p>Waterstone Benefit Administrators, LLC 4013 NW Expressway, Suite 575 Oklahoma City, OK 73116</p> <p>13-0306-DIS/JAM(mt)Cond.Adm.Ord.</p> </div>	<p>Legal Division</p> <p>3. Service Type <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>2. Article Number (Transfer from service label)</p>	<p>7001 0320 0003 9966 6848</p>
PS Form 3811, February 2004	Domestic Return Receipt
	102595-02-M-1540