

BEFORE THE INSURANCE COMMISSIONER OF THE
STATE OF OKLAHOMA

FILED
SEP 26 2014
INSURANCE COMMISSIONER
OKLAHOMA

STATE OF OKLAHOMA, ex rel. JOHN D. DOAK, Insurance Commissioner,
Petitioner,
v.
PHARMASTAR LLC,
a nonresident third-party administrator,
Respondent.

Case No. 14-0946-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 undersigned attorney, Barron B. Brown, 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. Pharmastar LLC is licensed by the State of Oklahoma as a nonresident third-party administrator holding license number 864250. Its address of record is P.O. Box 3217, Eau Claire, Wisconsin 54702.
3. The Commissioner may censure, suspend or revoke a third-party administrator's license or assess a civil penalty of not less than \$100.00 or more than \$1,000.00 for each occurrence of failing to file an annual report. 36 O.S. § 1452(A).

ALLEGATIONS OF FACT

1. On or before June 1 of each year, all licensed administrators shall file an annual report for the previous calendar year. The report shall have been reviewed by a certified public accountant who shall be independent of the administrator. The report shall be subscribed and sworn to by the president and attested to by the secretary or other proper officers substantiating that the information contained in the report is true and factual concerning each of the plans they administer which are governed pursuant to the Third-Party Administrator Act. 36 O.S. § 1452(A).

2. Respondent's Third-Party Administrator Annual Report was due on or before June 1, 2014. As of the date of this Order, Respondent has failed to file its 2013 Annual Report.

ALLEGED VIOLATIONS OF LAW

1. Respondent is in violation of 36 O.S. § 1452(A) by failing to submit its annual report on or before June 1, 2014.

ORDER

IT IS THEREFORE ORDERED by the Insurance Commissioner that Pharmastar LLC is **CENSURED AND FINED FIVE HUNDRED DOLLARS (\$500.00)** in failing to submit its 2013 annual report on or before June 1, 2014. **The \$500.00 fine is to be paid within thirty (30) days** made payable to the Oklahoma Insurance Department. The \$500.00 civil fine shall be paid by money order or cashier's check.

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 Barron B. Brown, 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 26th day of September, 2014.



JOHN D. DOAK
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

Barron B. Brown

Barron B. Brown
Assistant General Counsel
3625 N.W. 56th Street, Suite 100
Oklahoma City, OK 73112

CERTIFICATE OF MAILING

I, Barron B. Brown, 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 26th day of September, 2014 to:

Pharmastar LLC
P.O. Box 3217
Eau Claire, WI 54702

CERTIFIED MAIL NO: 7014 0150 0001 9588 3491

and a copy was delivered to:

DeAnn Robinson/Financial Division



Barron B. Brown
Assistant General Counsel

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

For delivery information visit our website at www.usps.com

OFFICIAL USE

7014 0150 0001 9588 3491

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	



Total Postage & **Pharmastar, LLC**
P.O. Box 3217
Eau Claire, WI 54702
14-0946-DIS/BBB(mt)
(Con.Adm.Ord. / 9-26-14)

Sent To _____
 Street, Apt. No., or PO Box No. _____
 City, State, ZIP+4 _____

PS Form 3800, August 2006 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 X <i>David J. Main</i> <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>David J. Gaiser</i></p> <p>C. Date of Delivery <i>9-29-14</i></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>OCT 3 2014 Legal Division</p>
<p>1. Article Addressed to:</p> <div style="border: 1px solid black; padding: 5px; width: fit-content;"> <p>Pharmastar, LLC P.O. Box 3217 Eau Claire, WI 54702 14-0946-DIS/BBB(mt) (Con.Adm.Ord. / 9-26-14)</p> </div>	<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>2. Article Number (Transfer from service label)</p>	<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>7014 0150 0001 9588 3491</p>	
<p>PS Form 3811, February 2004 Domestic Return Receipt</p>	