

BEFORE THE INSURANCE COMMISSIONER OF THE  
STATE OF OKLAHOMA

FILED

MAY 13 2016

INSURANCE COMMISSIONER  
OKLAHOMA

STATE OF OKLAHOMA, ex rel. JOHN D. )  
DOAK, Insurance Commissioner, )  
 )  
Petitioner, )  
 )  
vs. )  
 )  
GENERAL PRESCRIPTION PROGRAMS, )  
INC., )  
a licensed pharmacy benefits manager in the )  
State of Oklahoma, )  
 )  
Respondent. )

Case No. 16-0414-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 undersigned counsel, and alleges and states as follows:

**JURISDICTION**

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 Insurance Code, 36 O.S. §§ 101-7301, 59 O. S. §§ 357 et seq. (“Pharmacy Benefit Plans”), and O.A.C. 365:25-29-1 et seq. (“Pharmacy Benefits Managers”).

2. Respondent General Prescription Programs, Inc. (“Respondent”) is a licensed pharmacy benefits manager in the State of Oklahoma holding license number 864778. Its address of record with the Oklahoma Insurance Department is 222 Lafayette Street, Newark, New Jersey 07105.

3. Pursuant to O.A.C. 365:25-29-10(a), the Insurance Commissioner may suspend, revoke or refuse to issue or renew a pharmacy benefits manager license and/or may levy a civil fine of not less

than Five Hundred Dollars (\$500.00) nor more than Five Thousand Dollars (\$5,000.00) for each violation of 59 O.S. §§ 357-360 and/or O.A.C. 365:25-29-1 et seq.

### **FINDINGS OF FACT**

1. O.A.C. 365:25-29-8(a) provides as follows: “[before] March 1 of each year, every PBM providing pharmacy benefits management shall submit to the Insurance Commissioner a report of its financial condition verified by the oath of an executive officer. The report shall be prepared using generally accepted accounting principles and consist of a balance sheet, income statement, and statement of cash flows. The report may be supplemented by any additional information required by the Insurance Commissioner.”

2. The Oklahoma Insurance Department (“OID”) sent an email to all licensed PBMs on February 11, 2016, instructing where and how to file the report of financial condition. Thereafter, on March 9, 2016, the OID sent an email to all PBM companies licensed in the State of Oklahoma who failed to timely file the report of financial condition by March 1, 2016, requiring them to submit the report within fifteen (15) days.

3. As of the date of this Order, Respondent has failed to submit its report of financial condition to the OID.

### **CONCLUSIONS OF LAW**

1. Respondent has violated O.A.C. 365:25-29-8(a); by failing to timely file its report of financial condition with the OID by March 1, 2016.

### **ORDER**

**IT IS THEREFORE ORDERED** that Respondent is **FINED** in the amount of **FIVE HUNDRED DOLLARS (\$500.00)** for a violation of O.A.C. 365:25-29-8(a).

**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 56<sup>th</sup> St., Suite 100, 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 13<sup>th</sup> day of May, 2016.



JOHN D. DOAK  
INSURANCE COMMISSIONER  
STATE OF OKLAHOMA

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Barron B. Brown  
Assistant General Counsel  
3625 NW 56<sup>th</sup> Street, Suite 100  
Oklahoma City, Oklahoma 73112  
Tel. (405) 521-2746

**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 13<sup>th</sup> day of May, 2016, to:

General Prescription Programs, Inc.  
222 Lafayette Street  
Newark, NJ 07105

**CERTIFIED MAIL NO.:** 7015 3010 0001 4736 6105

and a copy was delivered to:

DeAnn Robinson  
Financial Division



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Barron B. Brown



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**General Prescription  
 Programs, Inc.**  
 222 Lafayette Street  
 Newark, NJ 07105  
 sms/16-0414-DIS/Cond Ord.

PS Form 3800, April 2015 PSN 7530-02-000-9053

7015 3010 0001 4736 6105

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
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1. Article Addressed to:

**General Prescription  
 Programs, Inc.**  
 222 Lafayette Street  
 Newark, NJ 07105  
 sms/16-0414-DIS/Cond Ord.

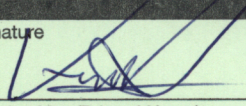


9590 9402 1346 5285 6026 91

2. Article Number (Transfer from service label)

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**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  
 X   Agent  
 Addressee

B. Received by (Printed Name) \_\_\_\_\_ C. Date of Delivery 5-18

D. Is delivery address different from item 1?  Yes  
 If YES, enter delivery address below:  No

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 OKLAHOMA INSURANCE DEPARTMENT  
 MAY 24 2016  
 Legal Division  
 Victoria

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Registered Mail Restricted Delivery

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