

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

FILED
SEP 20 2019
INSURANCE COMMISSIONER
OKLAHOMA

STATE OF OKLAHOMA, ex rel. GLEN)
MULREADY, Insurance Commissioner,)
)
Petitioner,)
)
v.)
)
BOON ADMINISTRATIVE SERVICES INC,)
a licensed nonresident third-party administrator)
in the State of Oklahoma,)
)
Respondent.)

Case No. 19-0607-DIS

CONDITIONAL ADMINISTRATIVE ORDER
AND NOTICE OF RIGHT TO BE HEARD

COMES NOW the State of Oklahoma, ex rel. Glen Mulready, Insurance Commissioner,
by and through counsel, Barron B. Brown, and alleges and states as follows:

JURISDICTION AND AUTHORITY

1. Glen Mulready 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., including the Third-Party Administrator Act, 36 O.S. §§ 1441 et seq.
2. Boon Administrative Services Inc ("Respondent") is licensed by the State of Oklahoma as a nonresident third-party administrator holding license number 44199841.
3. Pursuant to 36 O.S. § 1452(A), "[f]ailure of any third-party administrator to execute and file the annual reports as required by [36 O.S. § 1452] shall constitute cause, after notice and opportunity for hearing, for censure, suspension, or revocation of administrator licensure to transact business in this state, or a civil penalty of not less than One Hundred Dollars

(\$100.00) or more than One Thousand Dollars (\$1,000.00) for each occurrence, or both censure, suspension, or revocation and civil penalty."

ALLEGATIONS OF FACT

1. Pursuant to 36 O.S. § 1452(A), "[o]n or before June 1 of each year, all licensed administrators shall file an annual report for the previous calendar year. Any report filed by an administrator with accumulated year-to-date premiums collected or claims paid of Fifty Thousand Dollars (\$50,000.00) or more, whichever is greater, 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 provisions of the Third-party Administrator Act. The report shall include the name and address of each fund and a statement of fund equity, paid claims by the covered unit, the accumulated year-to-date paid claims, and the year-to-date reserve status."

2. Respondent's Third-Party Administrator Annual Report for the calendar year 2017 (the "2017 Report") was required to be filed with the Oklahoma Insurance Department ("OID") on or before June 1, 2018. Respondent's 2017 Report was untimely filed on December 19, 2018.

3. Respondent's Third-Party Administrator Annual Report for the calendar year 2018 (the "2018 Report") was required to be filed with the OID on or before June 1, 2019. As of the date of this *Order*, Respondent's 2018 Report has not been filed.

ALLEGED VIOLATIONS OF LAW

1. Respondent has violated 36 O.S. § 1452(A) by failing to timely file its 2017 Report and 2018 Report with the OID.

ORDER

IT IS THEREFORE ORDERED by the Insurance Commissioner that Respondent shall file its 2018 Report referenced above and is **FINED ONE THOUSAND DOLLARS (\$1,000.00)**. The 2018 Report and fine are to be submitted within thirty (30) days from the date of receipt of this Order. Payment of the fine may be made by either cashier's check or money order.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED by the Insurance Commissioner that this Order is a Conditional Order. Unless Respondent requests a hearing with respect to the Allegations of Fact set forth above within thirty (30) days of the date of receipt 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 receipt of 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 Oklahoma Insurance Code (36 O.S. §§ 101 et seq.), Oklahoma Administrative Code, Title 365 – Insurance Department (O.A.C. 365:1-7-1 through 1-7-9) and the Oklahoma Administrative Procedures Act (75 O.S. §§ 308a et seq.). If 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 20th day of September, 2019.



GLEN MULREADY
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

Barron B. Brown
Assistant General Counsel
Oklahoma Insurance Department
3625 N.W. 56th Street, Suite 100
Oklahoma City, OK 73112
Telephone: (405) 521-2746
Facsimile: (405) 522-0125

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 20th day of September, 2019, to:

Boon Administrative Services Inc
6300 Bridgepoint Pkwy Ste 3-500
Austin, TX 78730

CERTIFIED MAIL NO.

9214 8902 0982 7500 0238 85

and a copy was delivered via electronic mail to:

Regulated Industry Services Division

Barron B. Brown
Assistant General Counsel



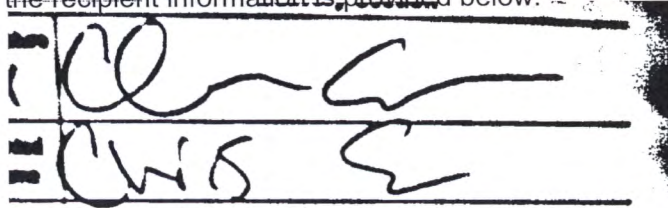
19-0007-DIS
BBB

Date Produced: 09/30/2019

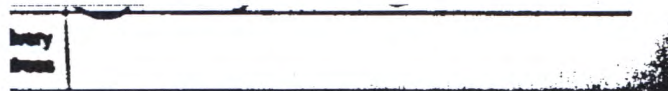
OKLAHOMA INSURANCE DEPARTMENT:

The following is the delivery information for Certified Mail™/RRE item number 9214 8902 0982 7500 0238 85. Our records indicate that this item was delivered on 09/23/2019 at 10:28 a.m. in AUSTIN, TX 78731. The scanned image of the recipient information is provided below.

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Address of Recipient :

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Sincerely,
United States Postal Service

The customer reference number shown below is not validated or endorsed by the United States Postal Service. It is solely for customer use.

This USPS proof of delivery is linked to the customers mail piece information on file as shown below:

BOON ADMINISTRATIVE SERVICES INC
6300 BRIDGE POINT PKWY STE 3-500
AUSTIN TX 78730-5088

Customer Reference Number: C1632984.9005011