

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

**STATE OF OKLAHOMA, ex rel. GLEN
MULREADY**, Insurance Commissioner,

Petitioner,

vs.

**MEDICAL GROUP INS
SERVICES, INC.**, an applicant
for renewal of a nonresident business entity
producer license,

Respondent.

Case No. 24-0023-DIS

FILED
FEB 15 2024
INSURANCE COMMISSIONER
OKLAHOMA

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, Julie Reding, and alleges and states as follows:

JURISDICTION

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. §§ 101–7402 and the Oklahoma Producer Licensing Act, 36 O.S. §§ 1435.1–1435.41.

2. Medical Group Ins Services, Inc., (“Respondent”) holds an inactive nonresident business entity producer license with the license number 100104832. Respondent’s mailing address of record is 111 South Main Street, 251 Little Falls Drive, Wilmington, UT, 19808.

3. The Insurance Commissioner has jurisdiction over the subject matter raised in this dispute and may issue penalties pursuant to 36 O.S. §§ 1435.4, 1435.7 and 1435.13 (A) and (D).

4. Pursuant to 36 O.S. § 1435.13(D), in addition to or in lieu of any applicable denial, probation, censure, suspension or revocation of a license, the Insurance Commissioner may levy a fine up to \$1,000.00 for each violation of the Oklahoma Producer Licensing Act.

5. If Respondent requests a hearing in writing in this matter, pursuant to OAC 365:1-7-1, the Insurance Commissioner, pursuant to 36 O.S. §319, will appoint an independent hearing examiner who shall sit as quasi-judicial officer and preside over the hearing requested by Respondent.

6. The Insurance Commissioner, pursuant to OAC 365:1-7-5, upon written request reasonably made by a person affected by the hearing and at such person's expense, shall cause a full stenographic record of the proceedings to be made by a competent court reporter.

FINDINGS OF FACT

7. On or about February 28, 2022, Respondent's non-resident producer license expired.

8. On or about January 3, 2024, Respondent applied to renew its non-resident producer license.

9. On or about January 4, 2024, the Oklahoma Insurance Department (OID) issued an audit letter requiring Respondent to disclose any instances Respondent sold, solicited, negotiated insurance on behalf or in the name of Respondent in the State of Oklahoma or to Oklahoma customers since February 28, 2022.

10. On or about January 17, 2024, the Respondent responded and provided a list acknowledging it sold nineteen (19) policies and negotiated sixteen (16) policies while its non-resident producer license was inactive and expired.

11. From approximately February 28, 2022 to January 17, 2024, Respondent sold or negotiated thirty-five (35) policies with an expired and inactive producer license.

12. Pursuant to 36 O.S. § 1435.4(A), a person “shall not sell, solicit, or negotiate insurance in the state of Oklahoma for any class or classes of insurance unless the person is licensed for that line of authority in accordance with the Oklahoma Producer Licensing Act.”

13. Pursuant to 36 O.S. § 1435.13(A):

The Insurance Commissioner may place on probation, censure, suspend, revoke or refuse to issue or renew a license issued pursuant to the Oklahoma Producer Licensing Act or may levy a civil penalty in accordance with subsection D of this section or any combination of actions, for any one or more of the following causes: ...

2. Violating any insurance laws, or violating any regulation, subpoena or order of the Insurance Commissioner or of another state’s insurance Commissioner.

CONCLUSIONS OF LAW

1. Respondent violated 36 O.S. § 1435.4(A) and 36 O.S. § 1435.13(A)(2) by conducting the business of insurance of selling, soliciting, or negotiating thirty-five (35) policies with an inactive and expired non-resident producer license.

ORDER

IT IS THEREFORE ORDERED, that Respondent is hereby **CENSURED** and **FINED FIVE HUNDRED DOLLARS (\$500.00)**. The fine shall be paid within thirty (30) days of the date of this order and made payable to the Oklahoma Insurance Department. The fine shall be paid by money order or cashier’s check and shall be sent to the Oklahoma Insurance Department located at 400 N.E. 50th Street, Oklahoma City, Oklahoma 73105. Failure to comply with a proper order of the Commissioner will result in further administrative action.


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 Findings of Fact set forth above within thirty (30) days of the date of mailing of this Order, the penalties set forth above will become a Final Order on the thirty-first (31st) day following the date of mailing this Order. A request for hearing should be in writing addressed to Julie Reding, Oklahoma Insurance Department, Legal Division, 400 N.E. 50th Street, Oklahoma City, Oklahoma, 73105. The request for hearing must state the grounds for the request to set aside or modify the Order and must be served on the Oklahoma Insurance Department within the thirty (30) days allotted. The proceedings on such requested hearing will be conducted in accordance with the Oklahoma Insurance Code, 36 O.S. §§ 101 *et seq.*, and the Oklahoma Administrative Procedures Act, 75 O.S. §§ 250-324. 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 Findings of Fact, Conclusions 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 15th day of February 2024.



GLEN MULREADY
INSURANCE COMMISSIONER
STATE OF OKLAHOMA


Julie Reding, OBA No. 19522
Assistant General Counsel
Oklahoma Insurance Department
400 N.E. 50th Street
Oklahoma City, OK 73105

CERTIFICATE OF MAILING

I, Julie Reding, hereby certify that a true and correct copy of the above and foregoing *Conditional Order* was mailed by first class U.S. Mail and by certified mail, with postage prepaid and return receipt requested, and by email on this 15th day of February 2024 to:

Medical Group Ins Services, Inc.
111 South Main Street, Ste. 400
Salt Lake City, UT 84111


Email: compliance@mgis.com

Email: matt.frost@mgis.com

CERTIFIED MAIL NO:
9214 8902 0982 7500 0601 25

and a copy was delivered to:

Licensing Division



Julie Reding, OBA No. 15522
Assistant General Counsel