

STIPULATIONS OF FACT

1. The Insurance Commissioner, pursuant to Okla.Stat.tit. 36 § 319, has appointed Leamon Freeman as an independent hearing examiner.

2. Pursuant to Respondent's written request for hearing dated July 2, 2007, this matter was set for hearing on August 1, 2007 at 9:30 a.m. at the Office of the Insurance Commissioner, 2401 NW 23rd St. Suite 28, Oklahoma City, Oklahoma 73107. Upon agreement of the parties, that hearing was stricken and reset for October 4, 2007 at 9:30 a.m. at the Office of the Insurance Commissioner. Upon further agreement of the parties, the October 4th hearing date is stricken and is reset for the 27th day of February, 2008 at 9:30 a.m.

3. The facts alleged in the Conditional Administrative Order filed in this matter on June 4, 2007 are true and correct.

4. On June 15, 2007, Petitioner received an adequate response from Respondent.

5. Since that time, Respondent has advised Petitioner that all inquiries regarding Respondent should be addressed to Presidential Unit, Medco Health Solutions, Inc., 100 Parsons Pond Drive, Franklin Lakes, New Jersey, 07417.

6. Respondent has taken steps to ensure its compliance with the requirements of Okla.Stat.tit. 36 § 1250.4 in the future and assures the Insurance Commissioner that there will be no further violations of the statute.

7. Further, Respondent has taken additional steps to ensure timely communication with all state insurance regulators regarding consumer questions; specifically, Respondent has written to the insurance department of each state where it is licensed to do business and has provided contact information for consumer assistance requests.

CONCLUSIONS OF LAW

1. Okla.Stat.tit. 36 § 1250.4 (B) requires every administrator, upon receipt of any inquiry from the Insurance Commissioner concerning a claim or a problem involving premium monies shall, within twenty (20) days after receipt of such inquiry, furnish the Commissioner with an adequate response to the inquiry.

2. Okla.Stat.tit. 36 § 1250.4(D) provides that any violation of § 1250.4 shall subject the insurer to discipline including a civil penalty of not less than One Hundred Dollars (\$100.00) nor more than Five Thousand Dollars (\$5,000.00).

ORDER and CONSENT

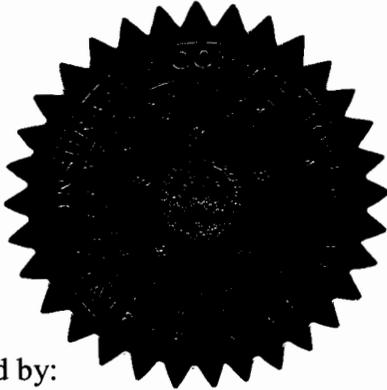
IT IS THEREFORE ORDERED AND DECREED by the Insurance Commissioner, and Consented to by Respondent that:

1. This matter will be held open until the hearing date recited above and if, at that time, Petitioner determines that Respondent has not committed any further violation of Okla.Stat.tit. 36, § 1250.4 or this order, this action will be dismissed without prejudice.

2. If at any time following the entry of this order it is determined at a hearing before an administrative law judge or through an agreement of the parties that Respondent has committed a further violation of § 1250.4, Respondent agrees that the Insurance Commissioner will impose and agrees that it will pay a civil penalty of Five Thousand Dollars (\$5,000.00) for each violation.

3. Respondent will remit an administrative fee of \$700.00 in order to reimburse the estimated costs of this action that have been incurred to date. Said fee is to be paid immediately and remitted to the OID by mail to Susan D. Dobbins, Legal Division, P.O. Box 53408, Oklahoma City, OK, 73152-3408.

WITNESS My Hand and Official Seal this 10th day of August, 2007.



KIM HOLLAND
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

A handwritten signature in black ink, appearing to read "Leamon Freeman". The signature is written in a cursive style and is positioned above a horizontal line.

LEAMON FREEMAN,
Hearing Examiner

Approved by:

A handwritten signature in black ink, appearing to read "Susan D. Dobbins". The signature is written in a cursive style and is positioned above a horizontal line.

Susan D. Dobbins, OBA #17337
Assistant General Counsel
Insurance Commissioner
State of Oklahoma
P.O. Box 53408
Oklahoma City, OK 73152-3408
Telephone: (405) 521-2746
Facsimile: (405) 522-0125
Attorney for Petitioner

A handwritten signature in black ink, appearing to read "Stratton Taylor". The signature is written in a cursive style and is positioned above a horizontal line.

Stratton Taylor, OBA #10142
TAYLOR, BURRAGE, FOSTER,
MALLET, DOWNS & RAMSEY
400 W. Fourth Street
P.O. Box 309
Claremore, OK 74018-0309
Telephone: (918) 343-4100
Facsimile: (918) 343-4900
Attorney for Respondent

CERTIFICATE OF MAILING

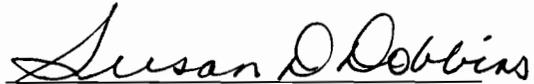
On this 10 day of August, 2007, a true and correct copy of the above and foregoing Consent Order was mailed to:

Stratton Taylor
400 W. Fourth Street
P.O. Box 309
Claremore, OK 74018-0309

CERTIFIED MAIL NO.: 7001 0326 0004 0179 2341

and a copy was delivered to:

Russell Valleroy
Director of Consumer Assistance and Agents Licensing
Oklahoma Insurance Department


SUSAN D. DOBBINS
Assistant General Counsel