

BEFORE THE INSURANCE COMMISSIONER OF THE
STATE OF OKLAHOMA

FILED

SEP 09 2008

INSURANCE COMMISSIONER
OKLAHOMA

STATE OF OKLAHOMA, ex rel.)
KIM HOLLAND, Insurance Commissioner,)
)
Petitioner)
)
v.)
)
OKLAHOMA FARM BUREAU MUTUAL)
INSURANCE COMPANY,)
)
Respondent.)

Case No. 08-0626-DIS

CONDITIONAL ADMINISTRATIVE ORDER
AND NOTICE OF RIGHT TO BE HEARD

COMES NOW the State of Oklahoma, ex rel. Kim Holland, and alleges and states
as follows:

JURISDICTION

1. Kim Holland 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 et seq., including 36 O.S. § 1250.4.
2. The Respondent, Oklahoma Farm Bureau., is a domestic insurer, licensed in the State of Oklahoma, holding certificate of authority number 4340.
3. The Insurance Commissioner has jurisdiction over the subject matter raised in this dispute and may issue penalties pursuant to 36 O.S. § 619.
4. If respondent requests a hearing in writing in this matter, pursuant to Oklahoma Administrative Code 365-1-7-1, the Insurance Commissioner, pursuant to 36 O.S. §319, will appoint an independent hearing examiner who shall sit as a quasi-judicial officer and preside over the hearing requested by Respondent.

5. The Insurance Commissioner, pursuant to Oklahoma Administrative Code 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.

ALLEGATIONS OF FACT

1. That Respondent is a domestic insurer, licensed in the State of Oklahoma holding certificate of authority number 4340.

2. That on September 6, 2007, Petitioner received a request for assistance ("complaint") on behalf of Kristin L. Johnson ("Johnson"). Johnson's complaint alleged that Respondent failed to make a fair settlement offer regarding the complaint.

3. Subsequently, Petitioner sent a letter requesting information from Respondent regarding claim number 2000018799 (Respondent's claim number 2007901175). Respondent acknowledged receipt of the letter on September 25, 2007.

4. On October 22, 2007, Respondent submitted a follow up letter to Petitioner's phone conversation of October 22, 2007, regarding claim number 200001879.

5. On March 20, 2008, Petitioner sent a letter to Respondent regarding claim number 200001879. Petitioner requested a complete copy of the claim file along with information on how the company arrived at the bodily injury settlement amount and any policy language concerning the subrogation of medical payment coverage. Respondent was instructed to provide this information within twenty (20) days of receipt pursuant to 36 O.S. § 1250.4(B).

6. On April 14, 2008, Respondent sent correspondence to the Oklahoma Insurance Department letter dated March 20, 2008, wherein Respondent refused to

provide the Oklahoma Insurance Department with a copy of the claim file pursuant to 1250.4(A).

ALLEGED VIOLATIONS OF LAW

That the Respondent violated 36 O.S. § 1250.4(A) by failing to provide Oklahoma Insurance Department with a complete copy of the claims file for Kristin L. Johnson.

ORDER

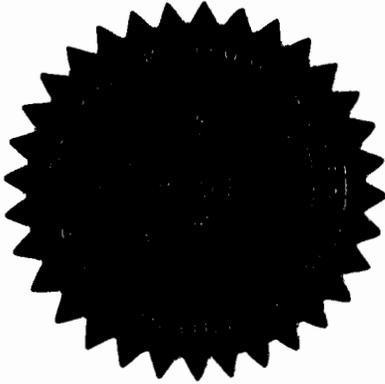
IT IS THEREFORE ORDERED, ADJUDGED AND DECREED by the Insurance Commissioner, subject to the following paragraph, that the Respondent violated 36 O.S. § 1250.4(A) and is hereby fined in the amount of **Three Hundred AND NO/100 DOLLARS .** **Fine to be paid immediately and remitted to the Oklahoma Insurance Department and mailed to ATTN: Sandra LaVenue, Legal Division, P.O. Box 53408, Oklahoma City, OK 73152-3408.**

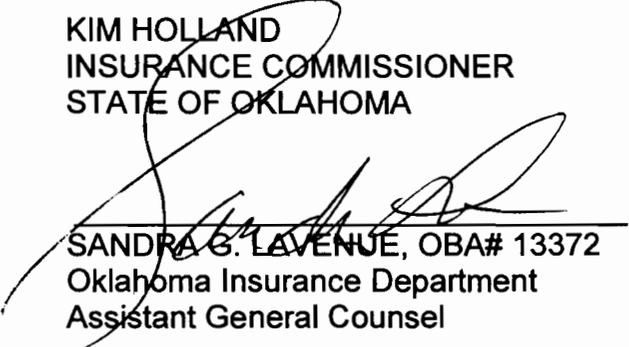
IT IS FURTHER ORDERED, ADJUDGED AND DECREED by the Insurance Commissioner that this Order is a Conditional Order. Unless the Respondent requests a hearing with respect to the Allegations of Fact set forth above within thirty (30) days of the date of mailing of this Order, this Order and the penalties set forth above shall become a Final Order on the thirty-first day following the date of mailing of this Order. Such request for a hearing, if desired, shall be made in writing, addressed to Sandra LaVenue, Oklahoma Insurance Department, Legal Division, P.O. Box 53408, Oklahoma City, Oklahoma 73152-3408 and must be served on the Oklahoma Insurance Department within the thirty (30) days allotted. The proceedings on any such requested hearing will be conducted in accordance with the Oklahoma Insurance Code, 36 O.S. §§ 101 through 7004, and the Oklahoma Administrative Procedures Act, 75 O.S. §§ 250 through 403. If

the Respondent serves a timely request for hearing on the Oklahoma Insurance Department, this Conditional Order shall act as a 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 9 day of August, 2008.

KIM HOLLAND
INSURANCE COMMISSIONER
STATE OF OKLAHOMA




SANDRA G. LAVENUE, OBA# 13372
Oklahoma Insurance Department
Assistant General Counsel

CERTIFICATE OF MAILING

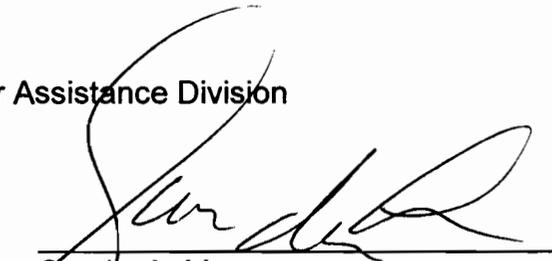
I, Sandra G. LaVenue, hereby certify that a true and correct copy of the above and foregoing Conditional Administrative Order and Notice of Right to be Heard was mailed via certified mail with postage prepaid and return receipt requested on this 10th day of August, 2008, to:

Oklahoma Farm Bureau Mutual Insurance Company
Attn: Monica Wilkey
2501 N. Stiles
Oklahoma City, Oklahoma 73105
CERTIFIED NO. *7206 D810 B CD2 6/163 5286*

and that a copy was delivered to:

Chris Van Ess, Director
Financial Division

Brian Gabbert
Claims/Consumer Assistance Division



Sandra LaVenue
Assistant General Counsel