

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

STATE OF OKLAHOMA, ex rel. KIM)
HOLLAND, Insurance Commissioner,)
)
Petitioner,)
)
v.)
)
)
SELECTCARE OF)
OKLAHOMA, INC.)
)
Respondent.)

Case No. 10-0716-DIS



CONSENT ORDER

COMES NOW the State of Oklahoma, ex rel. Kim Holland, Insurance Commissioner, and SelectCare of Oklahoma, Inc. ("the Company") and, for the purpose of resolving this disciplinary action, state and agree 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. §§ 101-7004, including all provisions of 36 O.S. §§ 6901 et seq. regulating Health Maintenance Organizations. Under 36 O.S. § 6919, the Insurance Commissioner may examine the affairs of any HMO consistent with 36 O.S. §§ 309.1 through 309.7. Under 36 O.S. § 619 and 36 O.S. § 6920(B), the Insurance Commissioner has the authority to assess a civil penalty or revoke, suspend, or refuse to renew the Company's certificate of authority if the Company is found by the Insurance Commissioner to have violated any applicable provision of the Insurance Code or otherwise failed to comply with the provisions

of the Health Maintenance Organization Act, or applicable rules promulgated by the Insurance Commissioner pursuant thereto including OAC 365:40-3-1 et seq.

2. The Company is authorized to transact business as a Health Maintenance Organization in the State of Oklahoma pursuant to Certificate of Authority Number 2341 (NAIC CoCode 12284).

FINDINGS OF FACT

1. On or around March 3, 2010, the verified Report of Examination (Financial) of the Company was filed with the Oklahoma Insurance Department ("the Department") for the period of January 1, 2006 through December 31, 2008 and provided to the Company. The Company was afforded a period of twenty (20) days within which to submit a response to the Department concerning matters contained in the Report of Examination (Financial) pursuant to Section 309.4(C) of Title 36 of the laws of Oklahoma. The Company did submit such a written response by letter dated March 26, 2010. The Insurance Commissioner considered the Company's response in detail.

2. The Report of Examination (Financial) noted certain violations as set out in the Order Adopting Report of Examination entered and filed by the Insurance Commissioner in Case No. 10-0344-EXM filed on April 15, 2010.

4. The Company did not file a Petition for Judicial Review of the Order Adopting Report of Examination in the District Court of Oklahoma County within thirty (30) days of receipt of that Order.

5. On June 2, 2010, the Insurance Commissioner entered a Conditional Order of Disciplinary Action relating to the findings of fact and conclusions of law set out in the Order Adopting Report of Examination, Case Number 10-0344-EXM.

7. The Company and the Insurance Commissioner have agreed to resolve and settle this matter through entry of an agreed civil fine payable by the Company.

CONCLUSIONS OF LAW

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. §§ 101-7004, including all provisions of 36 O.S. §§ 6901 et seq. regulating Health Maintenance Organizations. Under 36 O.S. § 6919, the Insurance Commissioner may examine the affairs of any HMO consistent with 36 O.S. §§ 309.1 through 309.7. Under 36 O.S. § 619 and 36 O.S. § 6920(B), the Insurance Commissioner has the authority to assess a civil penalty or revoke, suspend, or refuse to renew the Company's certificate of authority if the Company is found by the Insurance Commissioner to have violated any applicable provision of the Insurance Code or otherwise failed to comply with the provisions of the Health Maintenance Organization Act, or applicable rules promulgated by the Insurance Commissioner pursuant thereto including OAC 365:40-3-1 et seq.

2. The Insurance Commissioner further makes a conclusion of law that, pursuant to 36 O.S. §§ 619 and 6920(B), the Company should be assessed a civil penalty in the amount of Fifty Four Thousand Dollars (\$54,000.00) for violations set out in Case Number 10-0344-EXM and in the Conditional Order of Disciplinary Action entered herein.

3. The Company consents to entry of this civil fine and payment of same as ordered below.

ORDER

IT IS THEREFORE ORDERED that the Company is assessed a civil penalty by the Oklahoma Insurance Commissioner in the amount of Fifty Four Thousand Dollars (\$54,000.00) to be paid by July 30, 2010.

IT IS FURTHER ORDERED that upon payment of such civil fine this matter shall be completely resolved and concluded.

WITNESS My Hand and Official Seal this 4th day of August, 2010.



A handwritten signature in blue ink that reads "Darren Ellingson". The signature is written in a cursive style.

DARREN ELLINGSON
Deputy Insurance Commissioner
Oklahoma Insurance Department

APPROVED:



MICHAEL RIDGEWAY
KELLEY C. CALLAHAN
Oklahoma Insurance Department
Five Corporate Plaza
3625 N.W. 56th Street, Suite 100
Oklahoma City, OK 73112

ATTORNEYS FOR PETITIONER
INSURANCE COMMISSIONER



J. ANGELA ABLES
Kerr, Irvine, Rhodes & Ables, P.C.
201 Robert S. Kerr Ave., Suite 600
Oklahoma City, Oklahoma 73102

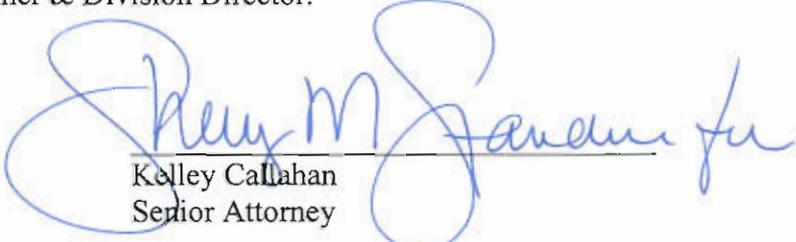
ATTORNEYS FOR RESPONDENT
GLOBALHEALTH, INC

CERTIFICATE OF MAILING

I, Kelley C. Callahan, hereby certify that a true and correct copy of the above and foregoing Consent Order was mailed postage prepaid with return receipt requested on this 4th day of August, 2010, to:

J. Angela Ables
Kerr, Irvine, Rhodes & Ables, P.C.
201 Robert S. Kerr Ave., Suite 600
Oklahoma City, Oklahoma 73102
Attorneys for Respondent
SelectCare of Oklahoma, Inc.

and that a copy was delivered to the Oklahoma Insurance Department Financial and Examination Division: Mathangi Shankar, Chief Examiner & Division Director.



Kelley Callahan
Senior Attorney