BEFORE THE INSURANCE COMMISSIONER OF THE STATE OF OKLAHOMA

FILED
AUG 08 2011
INSURANCE COMMISSIONER
OKLAHOMA

STATE OF OKLAHOMA, ex rel. JOHN D. DOAK, Insurance Commissioner,	)	
Petitioner,	)	
v.	)	**Case No. 11-0760-DIS**
MEDICAL MUTUAL SERVICES, LLC a nonresident Third Party Administrator,	)	
Respondent.	)	

CONDITIONAL ADMINISTRATIVE ORDER AND NOTICE OF RIGHT TO BE HEARD

COMES NOW the State of Oklahoma, ex rel. John D. Doak, Insurance Commissioner, by and through his attorney, Julie Meaders, and alleges and states as follows:

JURISDICTION

1. John D. Doak 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.

2. Medical Mutual Services, LLC is licensed by the State of Oklahoma as a nonresident third-party administrator holding license number 10957. Its address of record is 17800 Royalton Road, Strongsville, Ohio 44136-5149.

3. The Commissioner may censure, suspend or revoke a third-party administrator's license or assess a civil penalty of not less than $100.00 or more than $1,000.00 for each occurrence of failing to file an annual report. 36 O.S. § 1452.

ALLEGATIONS OF FACT

1. On or before June 1 of each year, all licensed administrators shall file an annual report for the previous calendar year. The report 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 Third-party Administrator Act. 36 O.S. § 1452.

2. Respondent's Third Party Administrator Annual Report was due on or before June 1, 2011. Respondent submitted its annual report to the Oklahoma Insurance Department on July 14, 2011 in an incomplete state; the report was not reviewed by an independent CPA and the report lacked the signature of an independent CPA.

3. A request for the omitted information was sent to Respondent by Shelly Ondiak in the Department's Financial Division on July 19, 2011.

ALLEGED VIOLATIONS OF LAW

1. Respondent is in violation of 36 O.S. § 1452 in failing to submit its annual report on or before June 1, 2011.

ORDER

IT IS THEREFORE ORDERED by the Insurance Commissioner that Medical Mutual Service, LLC is **CENSURED AND FINED FIVE HUNDRED DOLLARS ($500.00)** in failing to submit its 2010 annual report on or before June 1, 2011. **The $500.00 fine is to be paid within thirty (30) days** made payable to the Oklahoma Insurance Department.

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 this Order. A request for hearing should be in writing addressed to Julie Meaders, 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 Insurance Code and 75 O.S. § 250-323. If the 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 8th day of August, 2011

JOHN D. DOAK
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

Julie Meaders

Julie Meaders
Assistant General Counsel
3625 N.W. 56th Street
Oklahoma City, OK 73112
Telephone: (405) 521-2746
Facsimile: (405) 522-0125

CERTIFICATE OF MAILING

I, Julie Meaders, 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 8th day of August, 2011 to:

Medical Mutual Services, LLC
17800 Royalton Road
Strongsville, Ohio 44136-5149

CERTIFIED MAIL NO: 7008 1830 0003 9411 7996

and a copy was delivered to:

Shelly Ondiak/Financial Division

Julie Meaders

JULIE MEADERS
ASSISTANT GENERAL COUNSEL

7008 1830 0003 9411 7996

U.S. Postal Service

CERTIFIED MAIL RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage $

Certified Fee

Return Receipt Fee (Endorsement Required)

Fee (Endorsement Required)

Total Postage &

AUG 08 2011

Postmark Here

OK 73105

To

Street, Apt. No.; or PO Bo" No.

City, State, ZIP+4

Medical Mutual Services, LLC
17800 Ro\alton Road
Strongsville, OH 44136-5149
II-0760-DIS/JAMJ(mt)ComJ.OnJ.

PS Form 3800. Augusl 2006

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SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

RECEIVED
OKLAHOMA INSURANCE DEPARTMENT
AUG 16 2011
Legal Division

1. Article Addressed to:

Medical Mutual Services, LLC
17800 Royalton Road
Strongsville, OH 44136-5149
11-0760-DIS/JAM/(mt)Cond.Ord.

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X [signature] ☒ Agent ☐ Addressee

B. Received by *(Printed Name)* CHRIS STILES
C. Date of Delivery 8-11-11

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☒ No

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number
(Transfer from service label) 7008 1830 0003 9411 7996

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540