



OFFICE OF INSURANCE REGULATION

KEVIN M. McCARTY
COMMISSIONER

FILED

OCT 0 2 2008

OFFICE OF
INSURANCE REGULATION
Docketed by:

IN THE MATTER OF:

ALLIANCE HEALTHCARD OF FLORIDA, INC.
2006 Market Conduct Examination

CASE NO.: 93826-08

CONSENT ORDER

THIS CAUSE came on for consideration upon the agreement between ALLIANCE HEALTHCARD OF FLORIDA, INC. (hereinafter referred to as "ALLIANCE") and the OFFICE OF INSURANCE REGULATION (hereinafter referred to as the "OFFICE"). Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the OFFICE hereby finds as follows:

1. The OFFICE has jurisdiction over the subject matter of, and parties to, this proceeding.
2. ALLIANCE is a foreign discount medical plan organization authorized to transact discount medical plan business in Florida and is subject to the jurisdiction and regulation of the OFFICE pursuant to Chapter 636, Part II, Florida Statutes.
3. The OFFICE conducted a market conduct examination of ALLIANCE in 2006 pursuant to Section 636.206, Florida Statutes. As a result of such examination, the OFFICE has determined that ALLIANCE has violated the following provisions of the Florida Insurance Code:

a. Section 636.214(3)(a), Florida Statutes – Failure of the provider network agreements to contain, a list of the services and products to be provided at a discount; the amount of the discounts, or alternatively, a fee schedule which reflects the provider’s discounted rates; and a statement that the provider will not charge members more than the discounted rates.

b. Section 636.214(3)(c), Florida Statutes – Failure of the provider network agreements to require the network to maintain an up-to-date list of its contracted providers and to provide that list on a monthly basis to the discount medical plan organization.

c. Section 636.216(3), Florida Statutes – Use of forms that have not been first filed with and approved by the Office.

d. Section 636.204(1), Florida Statutes – Conducting business as a discount medical plan organization prior to licensure.

e. Section 636.212, Florida Statutes – Disclosures on website were printed in less than 12-point font.

f. Section 636.212(1)-(5), Florida Statutes – Failure of advertising and marketing materials to contain the required disclosures.

4. ALLIANCE expressly waives a hearing in this matter, the making of Findings of Fact and Conclusions of Law by the OFFICE, and all further and other proceedings herein to which the parties may be entitled by law or rules of the OFFICE. ALLIANCE hereby knowingly and voluntarily waives all rights to challenge or to contest this Order, in any forum now or in the future available to it, including the right to any administrative proceeding, circuit or federal court action, or any appeal.

5. ALLIANCE agrees that upon the execution of this Consent Order, it shall be subject to the following terms and conditions:

a. ALLIANCE shall pay an administrative penalty of Four Thousand Five Hundred Dollars (\$4,500) and administrative costs of Three Thousand Dollars (\$3,000) on or before the thirtieth (30th) day after this Consent Order is executed.

b. ALLIANCE shall, within thirty (30) days of the execution of this Consent Order, provide to the OFFICE a certification signed by an officer of the Company that the corrective actions outlined in the examination report have been completed.

6. ALLIANCE is hereby placed on notice of the requirements of the above referenced sections of law and agrees that any future violations of these sections by ALLIANCE may be deemed willful, subjecting ALLIANCE to appropriate penalties.

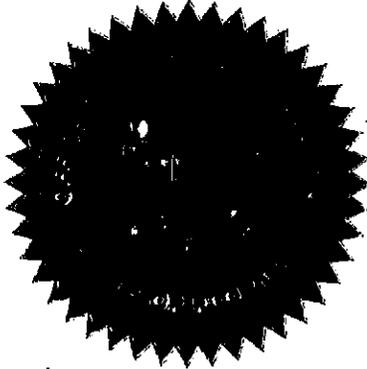
7. ALLIANCE agrees that the failure to adhere to one or more of the above terms and conditions of this Consent Order shall constitute a violation of a lawful order of the OFFICE, and shall subject ALLIANCE to such administrative action as the OFFICE may deem appropriate.

8. Except as noted above, each party to this action shall bear its own costs and attorney's fees.

THEREFORE, the agreement between ALLIANCE and the OFFICE, the terms and conditions of which are set forth above, is APPROVED.

FURTHER, all terms and conditions above are hereby ORDERED.

DONE AND ORDERED this 2ND day of OCTOBER, 2008.



KEVIN M. McCARTY
Commissioner
Office of Insurance Regulation

By execution hereof, ALLIANCE HEALTHCARD OF FLORIDA, INC. consents to entry of this Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that he or she has the authority to bind ALLIANCE HEALTHCARD OF FLORIDA, INC. to the terms and conditions of this Consent Order.

ALLIANCE HEALTHCARD OF
FLORIDA, INC.

Corporate Seal

By: _____

Title: SENIOR VICE PRESIDENT, GENERAL COUNSEL

Date: 9-23-08

STATE OF Oklahoma
COUNTY OF Cleveland

The foregoing instrument was acknowledged before me this 23 day of September, 2008,
by _____ as Senior Vice Pres., General Counsel for
(Name of person) (Type of authority.... e.g. officer, trustee, attorney in fact)
Alliance HealthCard of Florida, Inc.
(Company name)

Personally Known X or Produced Identification _____

Type of Identification Produced _____



(Signature of the Notary)

Lanni A. Williams
(Print, Type or Stamp Commissioned Name of Notary)

My Commission Expires:

July 24, 2010

COPIES FURNISHED TO:

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