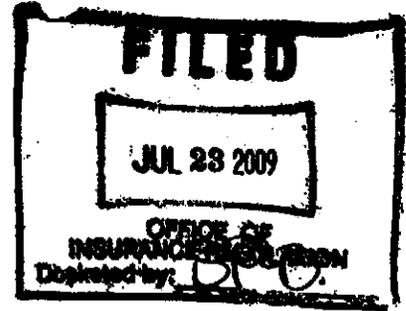




OFFICE OF INSURANCE REGULATION.



KEVIN M. McCARTY  
COMMISSIONER

IN THE MATTER OF:

ASSOCIATION HEALTH CARE MANAGEMENT, INC.,  
D/B/A FAMILY CARE

CASE NO.: 94463-08

2006 Market Conduct Examination

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CONSENT ORDER

THIS CAUSE came on for consideration upon the agreement between ASSOCIATION HEALTH CARE MANAGEMENT, INC., D/B/A FAMILY CARE, (hereinafter referred to as "FAMILY CARE") 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. FAMILY CARE 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 FAMILY CARE in 2006 pursuant to Section 636.206, Florida Statutes. As a result of such examination, the OFFICE has determined that FAMILY CARE has violated the following provisions of the Florida Insurance Code:

- a. Section 636.214(3)(a), Florida Statutes – Failure of the agreement between the discount medical plan organization and provider network to require the agreements between the provider network and providers to contain a list of the services and products to be provided at a discount; the amount or amounts of discounts, or alternatively, a fee schedule which reflects the provider's discounted rates; and that the provider will not charge members more than the discounted rates.
- b. Section 636.214(3)(c), Florida Statutes – Failure of the agreement between the discount medical plan organization and provider network to require the agreements between the provider network and providers 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(2), Florida Statutes – Failure to maintain written agreements between the discount medical plan organization and the members specifying benefits of the plan.
- d. Section 636.216(3), Florida Statutes – Use of forms that have not been filed with and approved by the Office.

4. FAMILY CARE 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. FAMILY CARE hereby knowingly and voluntarily waives all rights to challenge or to contest this Consent 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. FAMILY CARE agrees that upon the execution of this Consent Order, it shall be subject to the following terms and conditions:

- a. FAMILY CARE shall pay an administrative penalty of Two Thousand Five Hundred Dollars (\$2,500) and administrative costs of Three Thousand Dollars (\$3,000) on or before the thirtieth (30th) day after this Consent Order is executed.
- b. FAMILY CARE 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. FAMILY CARE 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 FAMILY CARE may be deemed willful, subjecting FAMILY CARE to appropriate penalties.

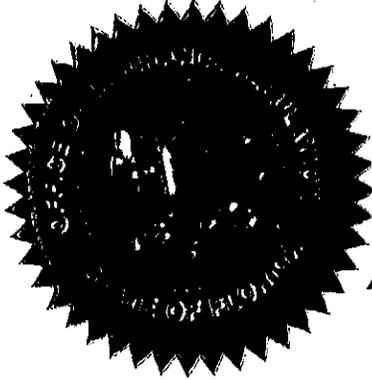
7. FAMILY CARE agrees that the failure to adhere to one or more of the above terms and conditions of this Consent Order shall constitute a violation of a lawful order of the OFFICE, and shall subject FAMILY CARE to such administrative action as the OFFICE may deem appropriate.

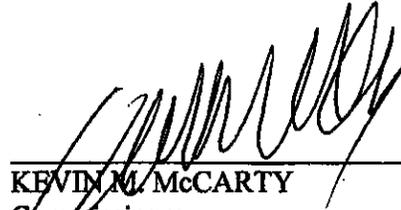
8. Except as noted above, each party to this action shall bear its own costs and attorney's fees.

THEREFORE, the agreement between FAMILY CARE 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 23<sup>rd</sup> day of JULY 2009.



  
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KEVIN M. McCARTY  
Commissioner  
Office of Insurance Regulation

By execution hereof, ASSOCIATION HEALTH CARE MANAGEMENT, INC., D/B/A FAMILY CARE 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 ASSOCIATION HEALTH CARE MANAGEMENT, INC., D/B/A FAMILY CARE to the terms and conditions of this Consent Order.

ASSOCIATION HEALTH CARE MANAGEMENT, INC., D/B/A FAMILY CARE

Corporate Seal

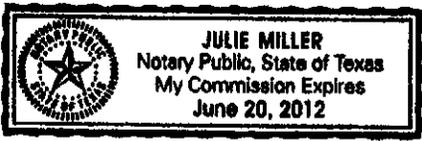
By: Jonathan Adel  
Title: VP - Business Development & Compliance  
Date: 7/15/09

STATE OF Texas )  
COUNTY OF Harris )

The foregoing instrument was acknowledged before me this 15<sup>th</sup> day of July, 2009,  
by Sam Hamadeh as officer for  
(Name of person) (Type of authority... e.g. officer, trustee, attorney in fact)  
Association Health Care Management, Inc.  
(Company name)

Personally Known X or Produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_



Notarial Seal

Julie Miller  
(Signature of the Notary)  
Julie Miller  
(Print, Type or Stamp Commissioned Name of Notary)

My Commission Expires:  
June 20, 2012

**COPIES FURNISHED TO:**

**Mr. Michael Rabie, President  
Association Health Care Management, Inc. d/b/a Family Care  
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