

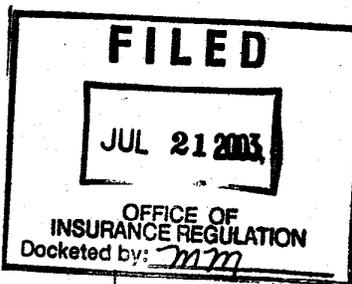


OFFICE OF INSURANCE REGULATION

KEVIN M. McCARTY
DIRECTOR

RECEIVED

JUL 24 2003



IN THE MATTER OF:

CASE NO. : 62003-02-CO

NEIGHBORHOOD HEALTH PARTNERSHIP, INC.

CONSENT ORDER

THIS matter came before the OFFICE OF INSURANCE REGULATION of the FINANCIAL SERVICES COMMISSION within the DEPARTMENT OF FINANCIAL SERVICES (hereinafter referred to as the "OFFICE"), upon agreement by NEIGHBORHOOD HEALTH PARTNERSHIP, INC. (hereinafter referred to as "NEIGHBORHOOD HEALTH"), and the OFFICE following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the OFFICE finds and NEIGHBORHOOD HEALTH agrees as follows:

1. The OFFICE has jurisdiction over the subject matter of, and parties to this proceeding.
2. NEIGHBORHOOD HEALTH holds a certificate of authority as a health maintenance organization under Section 641.22, Florida Statutes, and is subject to the jurisdiction and regulation of the OFFICE pursuant to the Florida Insurance Code.
3. The OFFICE conducted an examination of NEIGHBORHOOD HEALTH covering the period of February 1, 2001 through May 1, 2001, pursuant to Section 641.27, Florida Statutes. As a result of said examination, the OFFICE determined that

NEIGHBORHOOD HEALTH committed the following violations of the Florida Insurance Code as described in the Report of Examination dated May 1, 2001, to wit:

- (a) Section 641.3155 (2), Florida Statutes (2001) - failure to timely process claims;
and
- (b) Section 641.3155 (3), Florida Statutes (2001) - failure to accurately and timely pay interest.

4. **NEIGHBORHOOD HEALTH** hereby knowingly and voluntarily waives all rights to challenge or to contest this Order, in any forum now available to it, including the right to any administrative proceeding, circuit or federal court action, or any appeal.

5. **NEIGHBORHOOD HEALTH** shall prepare an action plan within thirty (30) days from the date of the Consent Order that outlines the steps taken to bring the claims system currently used by Psych Care, Inc. into compliance with the requirements of Section 641.3155(3), (4) and (6), Florida Statutes, Ed. (2002). This plan shall be submitted to the **OFFICE** for review and acceptance.

6. **NEIGHBORHOOD HEALTH** agrees that upon execution of this Consent Order it shall be subject to the following terms and conditions:

- (a) **NEIGHBORHOOD HEALTH** shall pay an administrative penalty of \$7,500 and administrative costs of \$2,500 on or before the 30th day after this Consent Order is executed.
- (b) **NEIGHBORHOOD HEALTH** shall henceforth comply with all of the provisions of the Florida Insurance Code and Florida Administrative Code, and will implement the recommendations contained in the market conduct examination report within 30 days after execution of Consent Order.

(c) **NEIGHBORHOOD HEALTH** agrees that the failure to adhere to one or more of the above terms and conditions of this Order shall constitute a violation of a lawful order of the **OFFICE**, and shall subject **NEIGHBORHOOD HEALTH** to such administrative remedies as the **OFFICE** may deem appropriate.

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

8. The **OFFICE** and **NEIGHBORHOOD HEALTH** expressly waive a hearing in this matter, and the making of Findings of Fact and Conclusions of Law by the **OFFICE**.

9. The parties agree that this Consent Order will be deemed to be executed when the agency head or his/her designee has signed a copy of this Consent Order bearing the signature of the authorized representative(s) of **NEIGHBORHOOD HEALTH**, notwithstanding the fact that the copy was transmitted to the **OFFICE** by facsimile machine.

THEREFORE, the agreement between **NEIGHBORHOOD HEALTH** and the **OFFICE**, subject to the terms and conditions set forth above, is **APPROVED**.

FURTHER, all terms and conditions contained herein are hereby **ORDERED**.

DONE AND ORDERED this 21ST day of July, 2003.

MA



Kevin M. McCarty
DIRECTOR

By execution hereof, **NEIGHBORHOOD HEALTH PARTNERSHIP, INC.** consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions and shall be bound by all provisions herein. The undersigned represents, pursuant to Section 624.310, Florida Statutes, that he or she has the authority to bind **NEIGHBORHOOD HEALTH PARTNERSHIP, INC.** to the terms and conditions of this Consent Order.

NEIGHBORHOOD HEALTH PARTNERSHIP, INC.

Corporate Seal

BY:



TITLE:

CEO

DATE:

6/22/03

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