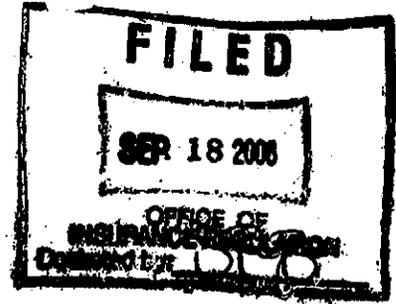




OFFICE OF INSURANCE REGULATION

KEVIN M. McCARTY
COMMISSIONER



IN THE MATTER OF:

PATRIOT HEALTH FLORIDA, INC.
2007 Market Conduct Examination

CASE NO.: 95744-08

CONSENT ORDER

THIS CAUSE came on for consideration upon the agreement between PATRIOT HEALTH FLORIDA, INC. (hereinafter referred to as "PATRIOT") 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. PATRIOT is a domestic 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 PATRIOT in 2007 pursuant to Section 636.206, Florida Statutes. As a result of such examination, the OFFICE has determined that PATRIOT has violated the following provisions of the Florida Insurance Code:

a. Section 636.214, Florida Statutes – Failure of the provider network agreements to be between the discount medical plan organization and the provider network.

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 636.214(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.

4. PATRIOT expressly waives its right to 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 now or in the future be entitled by law or rules of the OFFICE. PATRIOT 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. PATRIOT agrees that upon the execution of this Consent Order it shall be subject to the following terms and conditions:

a. PATRIOT shall pay an administrative penalty of One Thousand Five Hundred Dollars (\$1,500) and administrative costs of Three Thousand Dollars (\$3,000) on or before the thirtieth (30th) day after this Consent Order is executed.

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

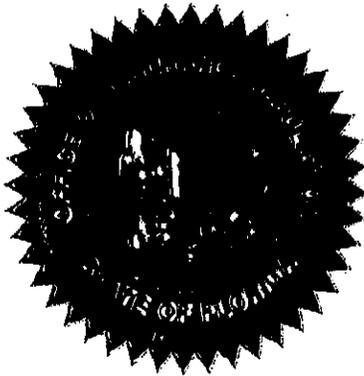
7. PATRIOT agrees that the failure to adhere to one or more of the above terms and conditions of this Consent Order shall constitute a violation of a lawful order of the OFFICE and shall subject PATRIOT to such administrative action as the OFFICE may deem appropriate.

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

THEREFORE, the agreement between PATRIOT 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 18TH day of SEPTEMBER 2008.



KEVIN M. McARTY
Commissioner
Office of Insurance Regulation

By execution hereof, PATRIOT HEALTH 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 PATRIOT HEALTH FLORIDA, INC. to the terms and conditions of this Consent Order.

PATRIOT HEALTH FLORIDA, INC.

Corporate Seal

By: Robert Hodes

Title: President

Date: 8/27/08

STATE OF NY)
COUNTY OF Nassau)

The foregoing instrument was acknowledged before me this 27 day of August, 2008,
by Robert Hodes as President for
(Name of person) (Type of authority.... e.g. officer, trustee, attorney in fact)

Patriot Health Florida Inc.
(Company name)

Personally Known or Produced Identification

Type of Identification Produced FL Driver's License

(Signature of the Notary)

Notarial Seal

Bahareh Horry
(Print, Type or Stamp Commissioned Name of Notary)

My Commission Expires: 6/19/2010

Bahareh Horry
Notary Public State of New York
No. 01H06148167
Qualified in Suffolk County
Commission Expires 6/19/2010

COPIES FURNISHED TO:

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