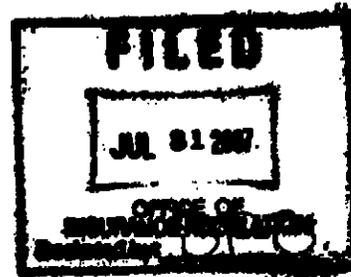




OFFICE OF INSURANCE REGULATION

KEVIN M. McCARTY
COMMISSIONER



IN THE MATTER OF:

STARMARK BENEFITS, INC.

CASE NO.: 87829-06-CO

2005 Market Conduct Examination
_____ /

CONSENT ORDER

THIS CAUSE came on for consideration as the result of an agreement between **STARMARK BENEFITS, INC.** (hereinafter referred to as "STARMARK") 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. **STARMARK** 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 the Chapter 636, Part II, Florida Statutes.
3. The **OFFICE** conducted a market conduct examination of **STARMARK** in 2005 pursuant to Section 636.206, Florida Statutes. As a result, it has been determined that **STARMARK** violated the following provisions of the Florida Insurance Code and Florida Administrative Code:

- a. Section 636.208(2), F.S. – Failure to refund periodic charges for memberships cancelled within thirty (30) days of the effective date of enrollment.
 - b. Section 636.210(1)(b), Florida Statutes – Use of prohibited language on its website.
 - c. Section 636.212(1), (2), (3), (4), and (5), Florida Statutes – Failure to make the required disclosures on its website.
 - d. Section 636.214(2)(a), Florida Statutes – Failure to include a list of the services and products to be provided at a discount in the written agreement between STARMARK and each of its providers.
 - e. Section 636.214(2)(b), Florida Statutes – Failure to include the fee schedule which reflects the provider's discounted rates in the written agreement between STARMARK and each of its providers.
 - f. Section 636.216(3), Florida Statutes – Use of forms that were not approved by the OFFICE.
 - g. Section 636.228(2), Florida Statutes – Failure to have a written agreement with a marketer.
 - h. Rule 690-203.202(1)(a), (b), (c), (d), and (e), Florida Administrative Code – Failure to provide members with a written agreement that contains all required elements.
4. STARMARK agrees that upon the execution of this Consent Order it shall be subject to the following terms and conditions:
- a. STARMARK shall pay an administrative penalty of Five Thousand Five Hundred Dollars (\$5,500.00) and administrative costs of Three Thousand Dollars (\$3,000.00) on or before the thirtieth (30th) day after this Consent Order is executed.

- b. **STARMARK** shall henceforth comply with all of the provisions of Chapter 636, Part II, Florida Statutes.
- c. **STARMARK** shall develop procedures to ensure that memberships cancelled within thirty (30) days of the effective date of coverage receive a full refund of periodic charges.
- d. **STARMARK's** written agreements with its providers shall include a list of services and products to be provided at a discount, or the fee schedule for general dentists.
- e. **STARMARK** shall not enroll individual members until the **OFFICE** has approved the forms.
- f. **STARMARK** shall not use forms until they have been approved by the **OFFICE**.
- g. **STARMARK** shall file corrected forms with the **OFFICE** for approval.
- h. **STARMARK** shall provide all active members with the forms approved by the **OFFICE**.
- i. **STARMARK** shall provide all members with a **STARMARK** ID card containing the correct web address for its provider listings.
- j. **STARMARK** shall provide members enrolled prior to April 1, 2005 with approved enrollment forms, written agreements, and fulfillment materials upon renewal.
- k. **STARMARK** shall modify website pages to eliminate prohibited phrases and include the necessary disclosures.
- l. **STARMARK** shall modify its website to ensure that its provider directory clearly informs the viewer that a provider is a discount medical plan provider.

m. **STARMARK** shall, within (thirty) 30 days of the execution of this Consent Order, provide to the **OFFICE** certification by an officer of the Company that the corrective actions outlined above have been completed, and shall provide the **OFFICE** with a copy of the procedures, written agreements, website modifications, and any other documents that evidence the fulfillment of the corrective actions.

5. **STARMARK** is hereby placed on notice of the requirements of the above-referenced provisions of law and agrees that any future violations of these statutes and rules by **STARMARK** may be deemed willful, subjecting **STARMARK** to appropriate penalties.

6. **STARMARK** affirms that all representations and requirements set forth herein are material to the issuance of this Consent Order. Violation of any part of this Consent Order may subject **STARMARK** to one or more of the administrative remedies available to the **OFFICE** under the Florida Insurance Code or other applicable law.

7. **STARMARK** 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/or other proceedings herein to which the parties may now or in the future be entitled, either by law or by rules of the **OFFICE**. **STARMARK** 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.

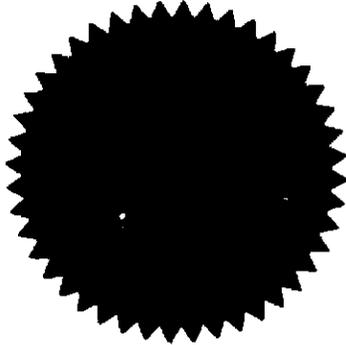
8. The parties agree that this Consent Order shall be deemed to be executed when the **OFFICE** has executed a copy of this Consent Order bearing the signature of **STARMARK**'s authorized representative under the seal of a notary public, notwithstanding the fact that the copy may have been transmitted to the **OFFICE** electronically.

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

THEREFORE, the agreement between STARMARK 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 31ST day of JULY, 2007.



KEVIN M. McCARTY
Commissioner
Office of Insurance Regulation

By execution hereof, STARMARK BENEFITS, 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 STARMARK BENEFITS, INC. to the terms and conditions of this Consent Order.

STARMARK BENEFITS, INC.

Corporate Seal

By: _____

Title: President

Date: 7/24/07

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 24 day of JULY, 2007,
by Michael Flax as President for
(Name of person) (Type of authority.... e.g. officer, trustee, attorney in fact)
Starmark Benefits Inc
(Company name)

Personally Known or Produced Identification _____

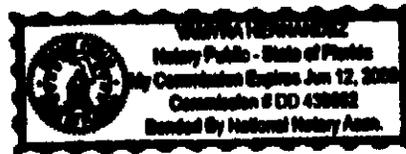
Type of Identification Produced _____

Notarial Seal

(Signature of the Notary)

Yamira Hernandez
(Print, Type or Stamp Commissioned Name of Notary)

My Commission Expires:



COPIES FURNISHED TO:

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Starmark Benefits, Inc.
7901 SW 6th Court, Suite 400
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