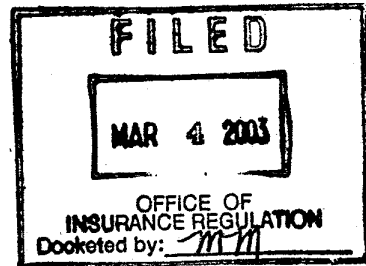




OFFICE OF INSURANCE REGULATION



KEVIN M. McCARTY
DIRECTOR

RECEIVED

MAR 06 2003

Bureau of Managed Care
CASE NO. 62863-03 CO
Div. of Insurer Services

IN THE MATTER OF:

TOTAL HEALTH CHOICE, INC.
_____ /

CONSENT ORDER

THIS CAUSE came on for consideration as the result of an agreement between **TOTAL HEALTH CHOICE, INC.** (hereinafter referred to as "TOTAL") and the **OFFICE OF INSURANCE REGULATION** of the **FINANCIAL SERVICES COMMISSION** within the **FLORIDA DEPARTMENT OF FINANCIAL SERVICES** (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 undersigned hereby finds as follows:

1. The **OFFICE**, has jurisdiction over the subject matter of, and parties to, this proceeding.
2. **TOTAL** is authorized to transact business in this State as a health maintenance organization subject to the jurisdiction and regulation of the **OFFICE** in accordance with the Florida Insurance Code.
3. Pursuant to complaints received by the **OFFICE**, a target market conduct examination was conducted pursuant to Section 641.27, Florida Statutes.

As a result of such investigation and examination, the **OFFICE** determined that **TOTAL** violated the following provisions of the Florida Insurance Code, to wit:

1. Section 641.3155(2), Florida Statutes (1999): Failure to pay Interest on Late Paid Claims.
2. Sections 641.3155(1), 641.3901 and 641.3903(5)(c) 1. & 4., Florida Statutes (1999): Failure to Adopt and Implement Standards For Proper Investigation of Workers' Compensation Claims.
3. Sections 627.4235, 641.317(7), 641.3155(1), 641.3901, and 641.3903(5)(c) 1. & 4., Florida Statutes (1999): Failure to Adopt and Implement Standards For Proper Investigation of Personal Injury Protection (PIP) Claims.

4. The **OFFICE** and **TOTAL** expressly waive a hearing in this matter, and 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. **TOTAL** 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. **TOTAL** 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 **TOTAL** to such administrative action as the **OFFICE** may deem appropriate.

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

(a) **TOTAL** shall pay a penalty of Nine Thousand Two Hundred and Fifty Dollars (\$9,250) and administrative costs of \$1,750 on or before the 30th day after this Consent Order according to the following terms and conditions:

(b) **TOTAL** shall henceforth comply with all of the provisions of the Florida Insurance Code.

(c) **TOTAL** 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 **TOTAL** may be deemed willful, subjecting **TOTAL** to appropriate penalties.

(d) **TOTAL** shall undertake corrective action to establish and implement procedures to assure that all claims are processed in accordance with Section 641.3155(3), Florida Statutes (2001). Further, **TOTAL** shall undertake to make certain that all claims by providers are properly coordinated with other insurers and/or self-insurers in accordance with all applicable statutes and rules. **TOTAL** shall submit to the **OFFICE** for approval a revision to its policies and procedures regarding claims payments to implement the aforementioned corrective action and proper coordination of benefits no later than thirty (30) days following the issuance of this Consent Order.

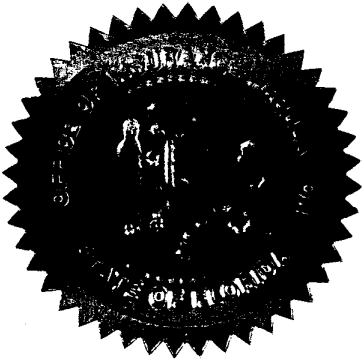
7. Except as noted above, each party to this action shall bear its own costs and attorney's fees.

8. This Consent Order is effective immediately upon execution by **TOTAL**, which includes approval by **TOTAL's** Board of Directors, and the **OFFICE**. Execution of this document by facsimile shall be of full force and effect, and **TOTAL** agrees to return an original signature to the **OFFICE** within three (3) days of the date this Consent Order is executed.

THEREFORE, subject to the terms and conditions set forth above, the agreement between **TOTAL HEALTH CHOICE, INC.** and the **OFFICE OF INSURANCE REGULATION** is APPROVED.

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

DONE AND ORDERED this 4th day of March, 2003.
11



KEVIN MCCARTY
DIRECTOR
OFFICE OF INSURANCE REGULATION

By execution hereof, **TOTAL HEALTH CHOICE, 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/she has the authority to bind **TOTAL HEALTH CHOICE, INC.**, to the terms and conditions of this Consent Order.

By: _____
Lyle E. Algate

Print or Type Name

Title: C. E. O.

Date: 2/13/03

COPY FURNISHED TO:

LYLE ALGATE, CEO

Total Health Choice, Inc.
N. Kendall Drive & S.W. 137th Ave
Miami, Florida 33283-0010

STEVE RODDENBERRY, DEPUTY DIRECTOR

Division of Insurer Services
200 East Gaines Street
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JOE FINNEGAN, BUREAU CHIEF

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J. RICHARD BRINKLEY, FLMI

Field Insurance Regional Administrator
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DENNIS THREADGILL, EXECUTIVE SENIOR ATTORNEY

Office of Insurance Regulation
Legal Services Office
200 East Gaines Street
Tallahassee, Florida 32399-0333

FORM MC 118
FLORIDA DEPARTMENT OF FINANCIAL SERVICES
INSURANCE COMPANY REGULATION
BUREAU OF MARKET CONDUCT

I hereby certify that I am the officer in charge of the Florida business of:

TOTAL HEALTH CHOICE, INC.

I have read the report of the Market Conduct examination as of

February 1, 2000

filed with the Department of Financial Services. The recommendations contained in the report will be considered within a reasonable time.

This form is hereby executed in compliance with Section 624.319(5), Florida Statutes.

Lyle E. Algate

Signature

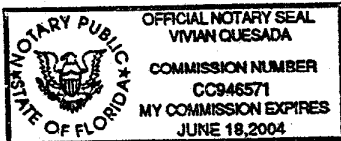
C. E. D.

Title

2/13/03

Date

Sworn to and subscribed before me this 13th
day of February, 2003



(SEAL)

NOTARY PUBLIC

Signature

My commission expires June 18, 2004

This form is to be completed, notarized and returned to: Cara Phillips, Bureau of Market Conduct, 200 East Gaines St., Larson Building, Tallahassee, Florida 32399-4210. If Form 118 is not returned to the Department within 30 days of the date of signature on the return receipt card, this matter will be forwarded to our Legal Division for appropriate legal action.