LAWRENCE G. WASDEN Attorney General

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MMA FILED DEC 2 1 2012

Department of Insurance State of Idaho

Attorneys for the Department of Insurance

BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE

STATE OF IDAHO

In the Matter of:

PRIME THERAPEUTICS LLC,

Third Party Administrator Non-Resident License No. 380974,

Respondent.

Docket No. 18-2821-12

STIPULATION AND ORDER RESOLVING VIOLATION OF IDAHO INSURANCE CODE

The parties herein, namely the Idaho Department of Insurance ("**Department**") and its counsel of record, Richard B. Burleigh, Deputy Attorney General, and PRIME THERAPEUTICS LLC, Third Party Administrator Non-Resident License No. 380974, do hereby agree and stipulate to the following facts and conclusions of law:

1. That the Director of the Idaho Department of Insurance has jurisdiction over this matter pursuant to title 41, Idaho Code.

2. That PRIME THERAPEUTICS LLC ("**Respondent**"), was granted a non-resident third party administrator ("**TPA**") License No. 380974 effective as of June 23, 2011.

3. That Respondent's Non-Resident License No. 380974 is scheduled to expire as of

January 1, 2013.

4. That, pursuant to Idaho Code § 41-914, all licensed TPAs are required to file an annual report with the Department on or before July 1 of each year.

5. That Respondent failed to file its annual report at any time prior to, on or after July 1, 2012.

6. That Respondent continues to operate as an administrator in Idaho notwithstanding its failure to comply with the requirements of the Idaho Code.

7. That, pursuant to Idaho Code § 41-915(2)(a), the Department may revoke Respondent's non-resident TPA license for failure to comply with the Idaho Code.

8. That, pursuant to Idaho Code §§ 41-117 and 41-915(4), the Department may seek general penalties against Respondent of up to five thousand dollars (\$5,000.00) per violation of the Idaho Insurance Code.

9. That, in lieu of a contested enforcement action, the parties agree that this matter can be brought to a close by a negotiated and stipulated settlement.

- 10. Respondent therefore agrees as follows:
 - Respondent shall pay a five hundred dollar (\$500.00) penalty to the Department within ten (10) business days following the execution of this Stipulation.
 - b. Respondent shall file an annual report as required by Idaho Code § 41-914 within thirty (30) days from the execution of this Stipulation.
 - c. If Respondent fails to comply with the preceding, Respondent agrees that the Department may revoke Respondent's TPA non-resident license without further notice or hearing.
- 11. Respondent acknowledges that it has had the opportunity to consult with counsel

STIPULATION AND ORDER RESOLVING VIOLATION OF IDAHO INSURANCE CODE - Page 2

concerning this Stipulation. Respondent waives its right to notice and hearing at which it may be represented by counsel, present evidence and examine witnesses. Respondent waives its right to submit this matter for review by a court of competent jurisdiction.

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12. The parties agree that the terms of this Stipulation are appropriate and proper under the circumstances referenced herein, and that they have entered into this Stipulation knowingly, voluntarily and with full knowledge of any rights they may be waiving thereby.

13. The parties hereby waive the right to seek reconsideration and judicial review of this Stipulation or the violations of the Idaho Code referenced herein.

[Signatures on following pages.]

AGREED THIS 1 day of December, 2012.

PRIME THERAPEUTICS LLC, a Delaware limited liability company

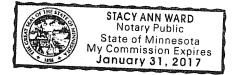
By: Name: oungel and Interim Compliance officer Its: V

STATE OF <u>Minnesota</u>)) ss. County of <u>Seatt</u>)

On this 12^{m} day of <u>December</u>, 2012, before me, the undersigned, a Notary Public in and for said State, personally appeared <u>Aaron Rodrigue2</u>, the V<u>P</u>, <u>Corral Coursel's Interimo</u>f PRIME THERAPEUTICS LLC, a Delaware limited liability company, who executed the foregoing instrument on behalf of said company, and acknowledged to me that the said instrument is the free and voluntary act and deed of said company, for the uses and purposes therein mentioned.

WITNESS MY HAND and official seal hereto affixed the day, month and year in this certificate first above written.

Notary Public in and for the State of <u>Mincoot</u> Residing at <u>Scott Conty</u> My commission expires: <u>131201</u>7



AGREED THIS <u>21</u> day of <u>December</u>, 2012.

IDAHO DEPARTMENT OF INSURANCE

Vengia Sub By: ___

Georgia Siehl, CPA, CFE Bureau Chief, Chief Examiner Idaho Department of Insurance

Approved as to Form:

OFFICE OF THE ATTORNEY GENERAL STATE OF IDAHO By: Richard B. Burleigh Deputy Attorney General Attorney for the Idaho Department of Insurance

IT IS SO ORDERED. DATED this Zist day of December, 2012.

STATE OF IDAHO DEPARTMENT OF INSURANCE

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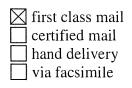
WILLIAM W. DEAL Director

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this ______ day of ______, 2012, I caused a true and correct fully-executed copy of the foregoing STIPULATION AND ORDER RESOLVING VIOLATION OF IDAHO INSURANCE CODE to be served on the following by the designated means:

Prime Therapeutics LLC Attn: Compliance Department 1305 Corporate Center Drive Eagan, MN 55121-1204

Richard B. Burleigh Deputy Attorney General Idaho Department of Insurance 700 W. State Street, 3rd Floor P.O. Box 83720 Boise, ID 83720-0043



☐ first class mail
☐ certified mail
☑ hand delivery
☑ via facsimile