

BEFORE THE DIVISION OF INSURANCE
DEPARTMENT OF LABOR AND REGULATION
STATE OF SOUTH DAKOTA

IN THE MATTER OF
SANFORD HEALTH PLAN

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)

CONSENT ORDER

In resolution of the above matter and in lieu of issuance of a Notice of Hearing and a formal hearing, the undersigned parties do hereby agree to the following:

SANFORD HEALTH PLAN, whose address of record is 300 Cherapa Place, Suite 201, Sioux Falls, SD 57103, is a domestic health maintenance organization holding a certificate of authority to transact insurance business in the State of South Dakota;

SANFORD HEALTH PLAN is aware that the South Dakota Division of Insurance ("Division") has conducted an investigation of its insurance-related activities in South Dakota;

The Division has alleged the following:

- 1) SANFORD HEALTH PLAN paid agent commissions in violation of ARSD 20:06:13:61;
- 2) This conduct constitutes grounds for the revocation or suspension of SANFORD HEALTH PLAN's certificate of authority pursuant to SDCL § 58-41-81;

SANFORD HEALTH PLAN is aware of and understands the nature of the charges and has been informed that it has the right to notice, hearing, and appeal, and that by agreeing to and signing this Consent Order waives these rights;

In return for SANFORD HEALTH PLAN agreeing to the provisions of this Consent Order, the Division agrees not to proceed to hearing and agrees that this Consent Order will constitute an informal disposition of this licensing matter pursuant to SDCL § 1-26-20;

SANFORD HEALTH PLAN agrees to a monetary penalty in the amount of \$5,000 pursuant to SDCL §§ 58-4-28.1 and 58-41-85, in lieu of contesting this matter formally; and

SANFORD HEALTH PLAN further agrees to conduct itself in accordance with the insurance laws and regulations of the State of South Dakota;

SANFORD HEALTH PLAN further agrees that this Consent Order may be considered for the purpose of determining the appropriate sanction in any future actions with the Division for any violations of the laws or regulations of the State of South Dakota or for failing to abide by any order of the Director;

Wherefore, good cause appearing from the foregoing, it is hereby ORDERED that SANFORD HEALTH PLAN pay a monetary penalty in the amount of \$5,000 payable to "South Dakota Division of Insurance" for deposit in the general fund of the State of South Dakota; and it is further


ORDERED that SANFORD HEALTH PLAN abide by the agreements made by it in this Consent Order; and it is further

ORDERED that should SANFORD HEALTH PLAN fail to comply with the provisions of this Order, the Division may seek the suspension or revocation of SANFORD HEALTH PLAN's Certificate of Authority at hearing pursuant to SDCL § 58-41-87, or seek other remedies available at law; and it is further

ORDERED that the use of this Consent Order for competitive purposes by an insurance agent or third-party administrator holding a license in the State of South Dakota, or by any company holding a Certificate of Authority, or by anyone on their behalf, may be deemed unfair competition and be grounds for suspension or revocation of said license or authority; and it is further

ORDERED that the provisions of this Consent Order shall be effective from the date the Director signs this Order.

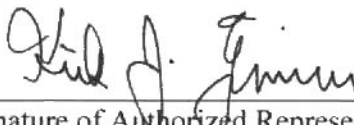
Dated at Pierre, South Dakota this 30th day of July, 2018.



Larry Deiter, Director
South Dakota Division of Insurance

The undersigned, on behalf of SANFORD HEALTH PLAN, represents it understands the terms of this Consent Order and the waiver of its due process rights and voluntarily enters into this Consent Order.

Dated this 24th day of July, 2018.



Signature of Authorized Representative

Kirk Zimmer

Printed Name

President, Sanford Health Plan

Title