



March 30, 2023

SENT VIA CERTIFIED MAIL AND FIRST-CLASS MAIL

Change Healthcare Pharmacy Solutions, Inc.
45 Commerce Dr. Ste. 5
Augusta, ME 04330-7889

RE: Application Denial for TPA Registration

To whom it may concern,

This letter is to notify you that your company's application for registration as a Third-Party Administrator ("TPA") in South Dakota has been denied. The reason for the denial is as follows:

Change Healthcare Pharmacy Solutions, Inc. ("CHANGE") submitted an application to renew its a TPA registration to the South Dakota Division of Insurance ("Division") on July 1, 2022. CHANGE failed to supply all the required documentation with their application. On August 1, 2022, the Division wrote to CHANGE asking for an explanation regarding the deficient application and requesting the additional documentation. On August 5, 2022, CHANGE responded and provided some, but not all, of the required documentation. Thus, between September 9, 2022 and September 14, 2022, the Division and CHANGE exchanged emails regarding the missing documentation. On October 7, 2022, CHANGE requested additional information regarding their requirements to provide the requested documentation. On October 11, 2022, the Division provided CHANGE with the statutory citations regarding their requirements. Having failed to receive a response, on November 9, 2022, the Division sent CHANGE a cite letter for failing to timely respond and again asking for the missing documentation and gave CHANGE until November 30, 2022, to provide the missing documentation. On December 27, 2022, CHANGE reached out the Division asking if there had been any updates but still did not providing the missing documentation.

Based on the above information, your company's TPA registration application is denied based upon SDCL 58-29D-22, 58-29D-24, 58-29D-31, 58-30-167(1), (2) & (8), and 58-33-66, for failing to provide all the required financial documentation, using methods or practices in the conduct of its business which render its further transaction of business in this state hazardous or injurious to insured persons or the public; violating any lawful rule or order of the director or any provision of the insurance laws of this state; using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of



business in this state or elsewhere; failing to respond to an inquiry from or failing to supply documents requested by the Division within twenty days of receipt of such inquiry or request.

Please note that this denial is considered an administrative action which will be reported to the database maintained by the National Association of Insurance Commissioners. If an administrative action occurs, an insurance producer may be required to report the action to any and all states in which an insurance license is held and in accordance with the timeframes and requirements of each state.

You may make a written request to the Division of Insurance within thirty (30) days of the date of this denial for a hearing to determine the reasonableness of this decision to deny your application for licensure.

Sincerely,

Tony Dorschner
Assistant Director
South Dakota Division of Insurance
Department of Labor and Regulation

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