

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

IN THE MATTER OF
AMERICA'S PPO

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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:

AMERICA'S PPO DBA HEALTHEZ ("AMERICA'S PPO"), whose address of record is 7201 W 78th Street, Bloomington, MN 55425, applied for a Managed Care Contractor and a Utilization Review Organization registrations in the State of South Dakota;

AMERICA'S PPO 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) AMERICA'S PPO's (previously known as Araz Group, Inc.) license and registration was cancelled for failure to renew as of July 1, 2013;
- 2) AMERICA'S PPO has been acting as a Managed Care Contractor and Utilization Review Organization since July 1, 2013 without proper licensure/registration in violation of SDCL §§ 58-17F-16 and 58-17H-35;
- 3) Due to the above violations, the Division may deny the applications submitted by AMERICA'S PPO;

AMERICA'S PPO 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 AMERICA'S PPO 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;

AMERICA'S PPO agrees to a monetary penalty in the amount of \$1,000 pursuant to SDCL § 58-4-28.1, in lieu of contesting this matter formally; and

AMERICA'S PPO further agrees to conduct itself in accordance with the insurance laws and regulations of the State of South Dakota; and

AMERICA'S PPO 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 AMERICA'S PPO pay a monetary penalty in the amount of \$1,000 payable to "South Dakota Division of Insurance" for deposit in the general fund of the State of South Dakota; and it is further

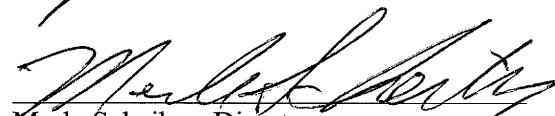
ORDERED that should AMERICA'S PPO fail to comply with the provisions of this Order, the Division may seek the suspension or revocation of AMERICA'S PPO's Managed Care Contractor and Utilization Review Organization registrations at hearing, or seek other remedies available at law; and it is further

ORDERED that AMERICA'S PPO's applications for Managed Care Contractor and Utilization Review Organization in the State of South Dakota are approved; 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

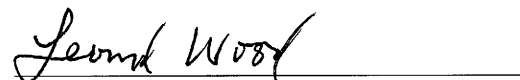
ORDERED that the provisions of this Consent Order shall be effective from the date the Director signs this Order.

Dated at Pierre, South Dakota this 21st day of May, 2014.


Merle Scheiber, Director
South Dakota Division of Insurance

The undersigned, on behalf of AMERICA'S PPO, represents it understands the terms of this Consent Order and the waiver of its due process rights and voluntarily enter into this Consent Order.

Dated this 19th day of May, 2014.


Signature of Authorized Representative
Leonard Wood
Printed Name