

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

IN THE MATTER OF
MERITAIN HEALTH, INC.

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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:

MERITAIN HEALTH, INC. ("MERITAIN"), whose address of record is 300 Corporate Parkway, Amherst, NY 14226 is an entity that has applied to renew its third-party administrator ("TPA") registration in the state of South Dakota;

MERITAIN is aware that the South Dakota Division of Insurance ("Division") has conducted an investigation;

The Division alleges the following as regards MERITAIN:

- 1) MERITAIN has held a valid TPA registration in South Dakota since 2006;
- 2) MERITAIN submitted a TPA renewal application on June 17, 2021, while they the subject of an investigation. The renewal application has been pending since that time;
- 3) Going back to 2019, MERITAIN failed to process claims timely, in violation of SDCL §§ 58-12-19; 58-12-20; and 58-29D-31(2), (4) , & (6);
- 4) Any of the above-cited conduct may be grounds for the denial of MERITAIN's TPA application pursuant to SDCL §§ 58-29D-21, 58-29D-31, and 58-30-167(2);

MERITAIN 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 MERITAIN agreeing to and complying with the provisions of this Consent Order, the Division agrees not to proceed to administrative hearing and agrees that this Consent Order will constitute an informal disposition of this licensing matter pursuant to SDCL § 1-26-20;

By the execution of this Consent Order and the payment of a penalty pursuant to this Consent Order, MERITAIN waives its right to contest the allegations contained in this Consent Order in any future actions or licensing procedures with the Division;

MERITAIN further agrees to pay \$25,000 pursuant to SDCL §§ 58-29D-31 and 58-4-28.1, in lieu of an administrative hearing and Final Decision;

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

MERITAIN 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 MERITAIN pay a monetary penalty in the amount of \$25,000 payable to "South Dakota Division of Insurance" for deposit in the general fund of the State of South Dakota; and it is further

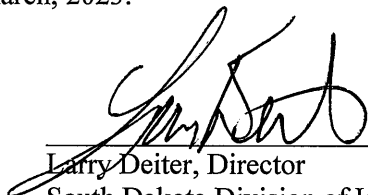
ORDERED that MERITAIN's TPA registration application is approved as of the effective date of this Order; and it is further

ORDERED that MERITAIN abide by the agreements made in this Consent Order; 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.

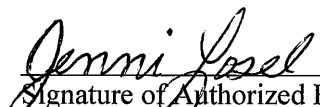
Dated at Pierre, South Dakota this 27th day of March, 2023.



Larry Deiter, Director
South Dakota Division of Insurance

The undersigned, on behalf of MERITAIN 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 23 day of March, 2023.



Signature of Authorized Representative
Jenni Losel

Printed Name
Assistant Secretary

Title