

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

IN THE MATTER OF
CARELONRX

INS 26-31754

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:

CARELONRX, with an address of record of P.O. Box 162964, 21215 Burbank BLVD, Building 100, Altamonte Springs, FL 32716, is a registered Third-Party Administrator (TPA) in the State of South Dakota holding a TPA registration with a Pharmacy Benefit Manager (PBM) Qualification;

CARELONRX is aware that the South Dakota Division of Insurance (Division) has conducted an investigation into its related business;

The Division alleges the following with regard to CARELONRX:

1. CARELONRX, as a PBM, enters into written agreements with health insurance companies and other third-party payors to provide covered prescription services to covered individuals of health benefit plans, and to implement a Discount Medical Plan (DMPO) without a DMPO registration, in violation of SDCL 58-17E-7, 58-29D-24, 58-29D-31(4)(8), and 58-30-167(2)(8);
2. CARELONRX required or allowed participating pharmacies to collect health benefit plan cost share amounts from covered individuals, for which a fee was assessed, charged, or collected, in violation of SDCL 58-29D-24, 58-29D-31(4)(8), 58-29E-12, 58-29E-16 and 58-30-167(2)(8);
3. CARELONRX accepted business from an unregistered DMPO, in violation of SDCL 58-29D-24, 58-29D-31(4)(8), and 58-30-167(2)(8)(12);
4. CARELONRX failed to maintain a copy of each active provider agreement into which it had directly or indirectly entered, in violation of SDCL 58-17E-28, 58-17E-30, 58-17E-32, 58-29D-24, 58-29D-31(4)(8), and 58-30-167(2)(8);
5. CARELONRX failed to timely respond to inquiries and supply documents requested by the Division within twenty days of receipt of such inquiry or request, in violation of SDCL 58-29D-24, 58-29D-31(4)(8), 58-29E-21, 58-30-167(2)(7)(8) and 58-33-66;

6. CARELONRX ceased its DMPO activities on August 19, 2025;
7. The Director of the Division may revoke CARELONRX's TPA registration with PBM qualification for any one of the above-cited violations;

CARELONRX is aware of and understands the nature of the allegations and has been informed that it has the right to a Notice of Hearing, counsel, and appeal, and that by signing this Consent Order, waives these rights;

In return for CARELONRX agreeing to, signing, 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;

CARELONRX waives its right to contest the allegations contained in this Consent Order in any future actions or licensing procedures;

CARELONRX agrees to a monetary penalty in the amount of \$25,000 pursuant to 58-4-28.1, in lieu of an administrative hearing and Final Decision;

CARELONRX further agrees to conduct its business in accordance with the insurance laws and regulations of the State of South Dakota; and

CARELONRX 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 CARELONRX 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

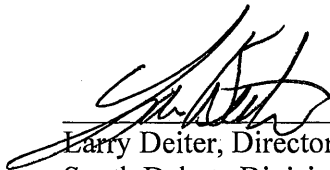
ORDERED that CARELONRX abide by the agreements made by it in this Consent Order; and it is further

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.

[Signature page follows]

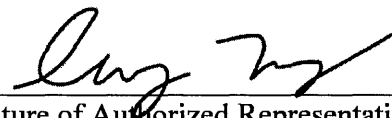
Dated at Pierre, South Dakota this 20th day of March, 2026.



Larry Deiter, Director
South Dakota Division of Insurance

The undersigned, on behalf of CARELONRX, 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 10 day of March, 2026.



Signature of Authorized Representative

Amy Mulderry

Printed Name

President, CarelonRx

Title