

M. GALE LEMMON #4363
Assistant Attorney General
MARK L. SHURTLEFF #4666
Attorney General
Attorneys for Utah Insurance Department
State Office Building, Room 3110
Salt Lake City, UT 84114
Telephone (801) 538-3872

**BEFORE THE INSURANCE COMMISSIONER
OF THE STATE OF UTAH**

COMPLAINANT:

UTAH INSURANCE DEPARTMENT

RESPONDENT:

MOLINA HEALTHCARE OF UT, INC
DBA AMERICAN FAMILY CARE OF UT INC
7050 UNION PARK CTR STE 200
MIDVALE UT 84047-4169

UT ID No. 1893

**NOTICE OF INFORMAL
ADJUDICATIVE PROCEEDING
AND ORDER**

DOCKET No. 2009-162 HL
Enf. Case No. 2587

The Utah Insurance Department has commenced this informal adjudicative proceeding pursuant to Utah Code Ann. §§ 31A-2-201 and 63G-4-201 and Utah Admin. Code R590-160.

Based upon information contained in agency files or known to the Commissioner, the

Commissioner makes the following:

FINDINGS OF FACT

1. Respondent is an insurer authorized to do the business of insurance in the State of Utah holding Utah Identification number 1893.

2. Respondent failed to properly file the annual *2008 Utah Accident & Health Survey* Report electronically on or before March 1, 2009, as required by the annual renewal instructions posted on the Utah Insurance Department's website (http://www.insurance.utah.gov/insurers/Renewal_SurveyInst.html).

3. Thereafter, Respondent was required, by a 2nd Notice letter dated October 22, 2009, to file the *2008 Utah Accident & Health Survey* electronically on or before November 5, 2009.

4. Thereafter, Respondent was required, by a Final Notice letter dated November 10, 2009, to file the *2008 Utah Accident & Health Survey* electronically on or before November 24, 2009.

5. As of the date of this Notice of Informal Adjudicative Proceeding and Order, no response has been received and the time for response and any extensions granted has expired.

Having entered his Findings of Fact, the Commissioner now enters his:

CONCLUSION OF LAW

1. In failing to submit a timely response to an inquiry from the Commissioner, the Respondent violated Utah Code Annotated 31A-2-202(4).

Based upon the foregoing Findings of Fact and Conclusions of Law, the Commissioner now enters the following:

ORDER

IT IS HEREBY ORDERED:

1. Respondent shall pay an administrative forfeiture in the amount of \$750.00. Said forfeiture shall be paid no later than ten (10) days after the date this Order becomes final.

2. Respondent shall provide a substantive response to the Commissioner's inquiries to be received in the offices of the Utah Insurance Department no later than by the date this Order becomes final.

3. This Order shall become final fifteen (15) days after the date of mailing unless a written request for a hearing is received from the Respondent in the offices of the department prior to that date. A written request for a hearing shall be signed by the person making the request and shall state the basis for the relief requested.

NOTIFICATION

If you request a hearing regarding this matter, the department will be represented by M. Gale Lemmon, Assistant Attorney General, State Office Building, Room 3110, Salt Lake City, Utah 84114, Telephone Number (801) 538-3872. Failure to request a hearing will be considered a failure to exhaust administrative remedies and will preclude any further administrative or judicial review or appeal of this matter.

You are further notified that a failure to obey an Order of the commissioner may subject you to further penalties, including forfeitures of up to \$5,000.00 per violation and the suspension or revocation of your license and the filing of an action to enforce this Order in District Court, which may impose forfeitures of up to \$10,000.00 per day for continued violation.

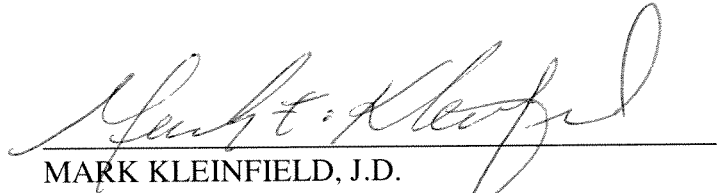
You are further notified that other jurisdictions in which you may be licensed may require that you report this action to them.

Questions regarding this Adjudicative Proceeding should be directed to Brent

Oscarson, at the Utah Insurance Department (801) 538-3195.

DATED THIS 14th day of December, 2009.

D. KENT MICHIE
INSURANCE COMMISSIONER

A handwritten signature in cursive script, appearing to read "Mark Kleinfeld", is written over a horizontal line.

MARK KLEINFELD, J.D.
ADMINISTRATIVE LAW JUDGE
Utah Insurance Department
State Office Building, Room 3110
Salt Lake City, Utah 84114
Telephone (801) 538-3800



State of Utah

GARY R. HERBERT
Governor

GREG BILL
Lieutenant Governor

D. KENT MICHIE
Insurance Commissioner

Utah Insurance Department

October 22, 2009

MOLINA HEALTHCARE OF UT, INC DBA AMERICAN FAMILY CARE OF UT INC
7050 UNION PARK CTR STE 200
MIDVALE UT 84047-4169

2nd NOTICE

RE: 2008 UTAH ACCIDENT & HEALTH SURVEY

The *2008 Utah Accident & Health Survey* is a required annual filing for all Fraternal, Health, Life, and Property & Casualty Insurers who report accident & health business in Utah on the NAIC Financial Statement. Your company reported \$47,263,630 in direct earned premium for accident & health business in Utah during 2008. Therefore, your company is required to file the survey.

The due date for this filing was March 1, 2009. Commercial insurers received the first written notice of this year's requirement in the Annual Company & Entity Renewal instructions posted on the Utah Insurance Department's website during January 2009 (see <http://www.insurance.utah.gov/insurers/renewals.html>).

As of the date of this mailing, the Utah Insurance Department does not have record of a valid survey response from your company. Utah Code Annotated (U.C.A.) § 31A-2-202 authorizes the commissioner to require this information promptly and in writing. You are therefore requested to obtain and submit the required *2008 Utah Accident & Health Survey* **by no later than Nov 5, 2009**. All the instructions and forms necessary for completing this survey are available online at: http://www.insurance.utah.gov/insurers/Renewal_SurveyInst.html

Failure to respond to this request may subject your company to the enforcement penalties under U.C.A. § 31A-2-308. Those penalties include monetary forfeitures and/or other sanctions. If you have any questions regarding this notice, please contact Jeff Hawley at 801-538-9684 or via email at jhawley@utah.gov.

D. KENT MITCHIE, Commissioner



TANJI NORTHRUP

Director, Health Insurance Division



State of Utah

GARY R. HERBERT
Governor

GREG BILL
Lieutenant Governor

D. KENT MICHIE
Insurance Commissioner

Utah Insurance Department

November 10, 2009

MOLINA HEALTHCARE OF UT, INC DBA AMERICAN FAMILY CARE OF UT INC
7050 UNION PARK CTR STE 200
MIDVALE UT 84047-4169

Final Notice

RE: 2008 UTAH ACCIDENT & HEALTH SURVEY

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D. KENT MITCHIE, Commissioner


TAMI NORTHRUP
Director, Health Insurance Division

CERTIFICATE OF MAILING

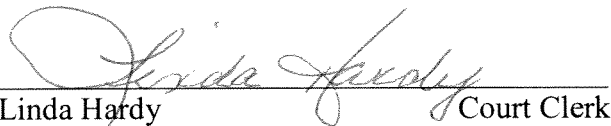
I do hereby certify that on this date I mailed, by regular mail, postage prepaid a true and correct copy of the attached:

NOTICE OF INFORMAL
ADJUDICATIVE PROCEEDING
AND ORDER

To the following:

*Molina Healthcare of Utah, Inc.
dba American Family Care of Utah, Inc.
7050 Union Park Center Ste. 200
Midvale, UT. 84047-4169*

DATED this 16th day of December, 2009.



Linda Hardy Court Clerk
Utah Department of Insurance
State Office Building, Room 3110
Salt Lake City, UT 84114-6901

UTAH
Invoice - Original

Printed Date: December 16, 2009
Invoice Date: December 16, 2009
Balance Due: \$750.00
Due Date: January 20, 2010
Invoice ID: 441748
NAIC ID: 95502
Payor ID: 1893

MOLINA HEALTHCARE OF UT INC DBA AMERICAN FAMILY CARE OF
UT INC
7050 UNION PARK CTR STE 200
MIDVALE UT 84047-4169

Item Description	Amount
12/16/2009 Monetary Penalty Company E-Case 2587 Docket 2009-162 HL	\$750.00
Original Amount Due	<u>\$750.00</u>

UTAH
Invoice - Original

Invoice Date: December 16, 2009
Balance Due: \$750.00
Due Date: January 20, 2010
Invoice ID: 441748
Payor ID: 1893
Payor Name: MOLINA
HEALTHCARE OF UT,
INC DBA AMERICAN
FAMILY CARE OF UT
INC

Make checks payable to: Utah Insurance Department

Send payment to:

Utah Insurance Department
3110 State Office Building
Salt Lake City, UT 84114-6901