

JAN 08 2024

**BEFORE THE INSURANCE COMMISSIONER OF THE  
STATE OF OKLAHOMA**

**INSURANCE COMMISSIONER  
OKLAHOMA**

STATE OF OKLAHOMA, ex rel. GLEN )  
MULREADY, Insurance Commissioner, )  
) )  
Petitioner, )  
v. )  
) )  
HEALTHSMART RX SOLUTIONS, INC. )  
) )  
Respondent. )  
)

CASE NO. 23-0792-DIS

**CONDITIONAL ADMINISTRATIVE ORDER**

**COMES NOW** the State of Oklahoma, ex rel. Glen Mulready, Insurance Commissioner, by and through counsel, Tyler P. Trammell, and alleges and states as follows:

**JURISDICTION**

1. Glen Mulready is the Insurance Commissioner of the State of Oklahoma and, as such, is charged with the duty of administering and enforcing all provisions of the Oklahoma Insurance Code, 36 O.S. §§ 101 *et seq.* and 59 O.S. §§ 357-360.

2. Respondent, HealthSmart Rx Solutions, Inc. (“Respondent”) holding SBS Company Number 515801731, is licensed by the State of Oklahoma as a pharmacy benefits manager (hereinafter referred to as “PBM”). Respondent’s address of record is 222 W. Las Colinas Blvd., Ste. 500N, Irving, Tx 75039.

3. Pursuant to 59 O.S. § 358, a PBM shall be licensed in order to provide pharmacy benefits management, or any services included under the definition of pharmacy benefits management found in Oklahoma Statutes, and must comply with all applicable laws, rules, and regulations.

4. Pursuant to OAC 365:25-29-15, the Insurance Commissioner shall have power and authority to examine and investigate the affairs of every PBM engaged in pharmacy benefits management in the state in order to determine whether it is in compliance with all applicable provisions of Title 36 and Title 59 of the Oklahoma Statutes and Title 365 of the Oklahoma Administrative Code and may take disciplinary action to enforce the same.

5. Pursuant to 59 O.S. § 358(d), the Department “may suspend, revoke or refuse to reissue or renew a license for noncompliance with any of the provisions hereby established or with the rules promulgated by the Department; for conduct likely to mislead, deceive or defraud the public or the Department; for unfair or deceptive business practices or for nonpayment of a renewal fee or fine. The Department may also levy administrative fines for each count of which a PBM has been convicted in a Department hearing.”

6. Pursuant to 36 O.S. § 6966.1, the Commissioner may, if the Commissioner finds that any person or organization has violated the provisions of any statute for which the Commissioner has jurisdiction, impose a penalty of not less than One Hundred Dollars (\$100.00) nor more than Ten Thousand Dollars (\$10,000.00) for each such violation. Such penalties may be in addition to any other penalty provided by law.

#### **FINDINGS OF FACT**

7. On November 10, 2023, in anticipation of their November 30, 2023, 11:59 P.M., license renewal deadline, Respondent filed incomplete renewal documentation and paid the \$500 reinstatement fee with the Oklahoma Insurance Department (OID).

8. The missing documentation needed for completing Respondents license renewal included an updated officer and directors list, a UCAA Form 11, and a background check for a

new member.

9. On November 14, 2023, the OID notified the Respondent that their filing was incomplete due to non-submission of their officer and director list.

10. On November 27, 2023, the OID reminded the Respondent that in addition to their officer and director list, a UCAA form 11 and a background check of a member needed to be submitted.

11. On December 4, 2023, the Respondent filed the requested documentation but did not file the necessary PBM Activity Attestation form required for entities with lapsed licenses.

12. Respondent conducted and engaged in pharmacy benefits management in the State of Oklahoma for a period of twelve (12) days from the lapse of their license on December 1, 2023, to the submission of the PBM Activity Attestation on December 12, 2023.

13. On December 12, 2023, Respondent filed with the Department its PBM Activity Attestation. Respondent admitted that its license had expired on December 1, 2023. Respondent further admitted that it conducted 5,224 transactions amounting to \$657,363.00 while covering approximately 10,057 lives in the 12 days between the expiration of its license on December 1, 2023 and the filing of the December 12, 2023, PBM Activity Attestation.

### CONCLUSIONS OF LAW

14. Respondent has violated 59 O.S. § 358 by continuing to provide pharmacy benefits management services for a total of twelve (12) days without a license.

### ORDER

**IT IS THEREFORE ORDERED** that Respondent is hereby **FINED** Six Thousand Five



Hundred and Seventy-Five Dollars (\$6,575.00). The fine shall be paid within 30 days of the date of this Conditional Administrative Order and made payable to the Oklahoma Insurance Department. The fine shall be sent to the Oklahoma Insurance Department located at 400 NE 50<sup>th</sup> Street, Oklahoma City, Oklahoma 73105 by check or money order with the case number 23-0792-DIS in the Memo line. Failure to comply with a proper order of the Commissioner will result in further administrative action.

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** by the Insurance Commissioner that this Order is a Conditional Order. Unless Respondent requests a hearing with respect to the Findings of Fact set forth above within 30 days of the date of this Conditional Order, the penalties set forth above will become a Final Order on the 31st day following the date of mailing this Order. A request for hearing should be in writing and addressed to Tyler P. Trammell, Oklahoma Insurance Department, Legal Division, 400 NE 50<sup>th</sup> Street, Oklahoma City, Oklahoma 73105. The request for hearing must state the grounds for the request to set aside or modify the Order and must be served on the Oklahoma Insurance Department within the 30 days allotted. The proceedings on such requested hearing will be conducted in accordance with the Oklahoma Insurance Code, 36 O.S. §§ 101 et seq., and the Oklahoma Administrative Procedures Act, 75 O.S. §§ 250 through 324. If Respondent serves a timely request for hearing on the Oklahoma Insurance Department, this Conditional Order will act as a notice of the matters to be reviewed at the hearing and the Findings of Fact, Conclusions of Law, and penalties imposed in this Conditional Order shall be considered withdrawn, pending final resolution at the hearing.

WITNESS My Hand and Official Seal this January 8<sup>th</sup>, 2024.



GLEN MULREADY  
INSURANCE COMMISSIONER  
STATE OF OKLAHOMA

*Tyler P. Trammell*

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**CERTIFICATE OF MAILING**

I hereby certify that a true and correct copy of the above and foregoing *Conditional Order* was mailed by regular mail and by certified mail, with postage prepaid and return receipt requested, on this January 8<sup>th</sup>, 2024, to:

Viki Winiger  
HealthSmart Rx Solutions, Inc.  
222 W. Las Colinas Blvd., Ste. 500N  
Irving, Tx 75039

**CERTIFIED MAIL NO. 9589 0710 5270 0679 4485 13**



Tyler P. Trammell  
Assistant General Counsel