STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCIAL REGULATION

In the Matter of: EXPRESS SCRIPTS ADMINISTRATORS LLC, a Deleware Corporation, Respondent.	Case No. INS-24-0009 ORDER TO CEASE AND DESIST, ORDER ASSESSING CIVIL PENALTIES, AND CONSENT TO ENTRY OF ORDER

The Director of the Department of Consumer and Business Services for the State of Oregon ("Director"), acting in accordance with Oregon Revised Statutes ("ORS") chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 743B, 744, 746, 748 and 750 ("Insurance Code"), has conducted an investigation into the activities of Express Scripts Administrators, LLC ("Respondent") and determined that Respondent engaged in violations of the Insurance Code.

Respondent wishes to resolve and settle this matter with the Director.

Now, therefore, as evidenced by the signatures subscribed on this Order, Respondent hereby CONSENTS to entry of this Order.

FINDINGS OF FACT

The Director FINDS that:

1. Respondent has held an Oregon third party administrator license with the Oregon Division of Financial Regulation ("Division") since May 23, 2003, National Producer Number is 8229376.

2. Respondent's principal place of business is One Express Way, St. Louis, Missouri 63121.

3. Licensed third party administrators are required to file an annual report with the Division each year by the March 1.

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Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387

4. Respondent failed to file its 2022 annual report with the Division by March 1, 2023.

5. On April 4, 2023, the Division sent Respondent an email warning that the report was due and extended the filing deadline to April, 19, 2023. The email stated that if Respondent did not file the annual report by April 19, 2023, the matter would be referred for enforcement action, which could result in a monetary civil penalty or a licensing action.

6. Respondent did not file the 2022 annual report by April 19, 2023.

7. In addition, Respondent failed to file its 2023 annual report with the Division by March 1, 2024.

8. As of August 30, 2024, Respondent filed its 2022 and 2023 annual reports with the Division.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

9. Pursuant to ORS 744.738(1), third party administrators are required to file annual reports with the Division by March 1 of each year, or within such extension of time as the Division may grant.

10. By failing to file the 2022 annual report by April 19, 2023, Respondent violated ORS 744.738(1).

11. By failing to file the 2023 annual report by March 1, 2024, Respondent violated ORS 744.738(1).

12. The Director has reason to believe that Respondent has been engaged in violations of the Insurance Code, so the Director may issue an order to Respondent to cease and desist under ORS 731.252(1).

13. The Director may impose a civil penalty of up $10,000 per violation upon any person who violates a provision of the Insurance Code, under ORS 731.988(1).

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ORDERS

Now therefore, the Director issues the following Orders:

14. As authorized by ORS 731.252(1), the Director hereby ORDERS Respondent to CEASE AND DESIST from violating ORS 744.738(1).

15. As authorized by ORS 731.988(1), the Director hereby ORDERS that Respondent pay a CIVIL PENALTY of $2,000 for failing to file the 2022 annual report and $2,000 for failing to file the 2023 annual report, totaling $4,000 for the two violations of ORS 744.738(1).

16. The Director hereby suspends payment of $1,000 of the CIVIL PENALTY for a period of three years from the effective date of this Order, provided Respondent:

A. Pays the $1,000 non-suspended portion of the CIVIL PENALTY, pursuant to this Order; and

B. Does not violate the Insurance Code within the three-year time period.

17. The non-suspended portion of the CIVIL PENALTY assessed herein ($1,000) is due and payable at the time Respondent returns this signed Order to the Director.

18. The non-suspended portion of the CIVIL PENALTY ($1,000) will be waived three years from the effective date of this Order, provided Respondent has complied with the foregoing Order terms. The Director reserves the right to immediately assess and collect the suspended civil penalty upon a determination that Respondent has violated any term of this Order.

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19. This Order is a "Final Order" under ORS 183.310(6)(b). Subject to that provision, entry of this Order does not limit other remedies available to the Director under Oregon law to enforce this Order or to take action for violations of this Order or of the Oregon Insurance Code that are not covered by this Order.

SO ORDERED this 1st day of October, 2024.

ANDREW R. STOLFI, Director
Department of Consumer and Business Services

/s/ Dorothy Bean
Dorothy Bean, Chief of Enforcement
Division of Financial Regulation

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CONSENT TO ENTRY OF ORDER

I, Bradley Phillips state that I am an officer of Respondent and am authorized to act on its behalf. I have read the foregoing Order and know and fully understand the contents hereof. I have been advised of Respondent's right to a hearing and right to be represented by counsel in this matter. Respondent voluntarily consents to the entry of this Order without any force or duress, expressly waiving any right to a hearing in this matter, as well as any rights to administrative or judicial review of this Order. Respondent understands that the Director reserves the right to take further actions against it to enforce this Order or to take appropriate action upon discovery of other violations of the Insurance Code or with the terms and conditions stated herein.

Respondent further assures the Director that neither Respondent nor its officers, directors, employees, or agents will engage in insurance business in Oregon unless such activities are in full compliance with the Insurance Code. Respondent understands that this Consent Order is a public document.

Signature: */s/ Bradley Phillips*

Position Held: President

State of Missouri

County of St. Louis

Signed or attested before me on this 25th day of September , 2024 by Bradley Phillips.

/s/ Carroll Timothy Quinn, Jr
Notary Public

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