

BEFORE ALLAN L. MCVEY, INSURANCE COMMISSIONER
OF THE STATE OF WEST VIRGINIA

In the Matter of:

MEDONE RX

Administrative Proceeding No. 23-IC-158363

CONSENT ORDER

In lieu of proceeding with an administrative hearing in this matter, the parties hereto have reached a resolution of the matter regarding MedOne RX (“MedOne”) doing business in West Virginia as a Pharmacy Benefit Manager (“PBM”) without a license. MedOne understands and agrees that by agreeing to the entry of this Consent Order it waives all rights to an administrative hearing and to judicial review of this matter. Further, MedOne understands and agrees that by agreeing to the entry of this Consent Order it also agrees to the administrative action as is reflected in the Consent Order. Finally, the Insurance Commissioner for the State of West Virginia (“Commissioner”) believes the entry of this Consent Order is appropriate and in the public interest.

JURISDICTION

MedOne is a PBM currently doing business in the State of West Virginia and the Commissioner/West Virginia Offices of the Insurance Commissioner (“WVOIC”) has jurisdiction over the subject matter of this action and over MedOne pursuant to W.Va. Code §33-51-1, *et seq.*

W.Va. Code § 33-51-8(a) (2022) states, in part, “A person or organization may not establish or operate as a pharmacy benefits manager in the state of West Virginia without first obtaining a license from the Insurance Commissioner pursuant to this section...”

In addition, W.Va. Code R. § 114-99-8.3 states:

With respect to any person or entity operating in this state as a PBM without a license, the Commissioner may do one or both of the following: ...

8.3.2. After notice and hearing in accordance with W. Va. Code §33-2-13, assess restitution in an amount sufficient to reimburse any person adversely affected by the operation of the unlicensed PBM and, in addition to or in lieu of restitution, impose a fine in a sum not to exceed \$20,000 for each unauthorized act....

EFFECT ON THIRD PARTIES

This Consent Order does not vest standing in any third party with respect to the terms hereof, nor create for any person, other than the Commissioner, a right to enforce its terms.

ALLEGED FACTS

The Commissioner received information that MedOne was operating in West Virginia without the necessary PBM license in violation of W.Va. Code § 33-51-1, *et seq.* MedOne acknowledges that it has been operating in West Virginia as a PBM without the required PBM license since June of 2023.

AGREED ACTION

By agreeing to and executing this Consent Order, MedOne agrees to and requests the entry of this Consent Order. MedOne acknowledges that the Commissioner could prevail at a hearing against MedOne resulting in a civil penalty not to exceed Twenty Thousand Dollars (\$20,000.00) for each unauthorized act it performed while it did not have a PBM license. MedOne will obtain its West Virginia PBM license as soon as possible.

To avoid the delay, uncertainty, inconvenience, and expense of protracted litigation in this matter, MedOne consents and agrees to the imposition of and payment to the Commissioner of an administrative fine in the amount of Twenty-Six Thousand Dollars (\$26,000.00), to be paid within 30 days of the entry of this Order. Failure of MedOne to apply for and obtain its PBM license in West Virginia could result in additional fines in the future. Failure to obtain a PBM license could also result in a civil action enjoining MedOne from continued operation in West Virginia.

FINAL DISPOSITION

This Consent Order constitutes the final disposition and entire agreement between the parties relating to the matter herein, except for any enforcement actions with respect to the failure to pay the administrative fine under this Consent Order as may be necessary, of Administrative Proceeding No. 23-IC-158363.

MISCELLANEOUS PROVISIONS


Jurisdiction of this matter is retained by the Commissioner for enforcement of this Consent Order. Any party hereto may apply to the Commissioner for such further orders and directions as may be necessary or appropriate with respect to the construction and enforcement of this Consent Order. The remedies in this Consent Order are cumulative and in addition to any other remedies the Commissioner may have at law or equity. Subject to MedOne's full payment of the agreed upon administrative fine, the Commissioner releases MedOne from any further enforcement actions against MedOne based on the facts as described in this Order. However, nothing herein shall be construed to prevent the Commissioner from taking any action for conduct not addressed in this Consent Order.

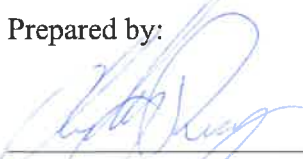
MedOne understands that this Consent Order will be reported to the database maintained by the National Association of Insurance Commissioners (NAIC) and otherwise be made public in accordance with the law.

ORDER

Inasmuch as the Commissioner finds and concludes, based upon the foregoing, that MedOne violated W.Va. Code § 33-51-8(a), it is **ORDERED** that a civil penalty in the amount of Twenty-Six Thousand Dollars (\$26,000.00) be, and the same is, hereby, assessed against MedOne, and that such civil penalty shall be paid within 30 days of the entry of this Consent Order.

ENTERED on this 7th day of March 2023⁴.


Allan L. McVey
CPCU, ARM, AAI, AAM, AIS
Insurance Commissioner

Prepared by:

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Reviewed and agreed to by:
MEDONE RX:

By: Wesley Hartig
Print Name

Title: Chief Executive Officer

Signature: 
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Date: 3/4/2024