



## DEPARTMENT OF COMMERCE & INSURANCE

P.O. Box 690, Jefferson City, Mo. 65102-0690

*In Re:*

PHARMACISTS MUTUAL  
INSURANCE COMPANY  
(NAIC #13714)

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Market Conduct Investigation No. 449190

### ORDER OF THE DIRECTOR

NOW, on this 28<sup>th</sup> day of April, 2025, Director Angela L. Nelson, after consideration and review of the Stipulation of Settlement and Voluntary Forfeiture (hereinafter "Stipulation") entered into by the Division of Insurance Market Regulation (hereinafter "Division") and Pharmacists Mutual Insurance Company (NAIC #13714) (hereinafter "PMIC"), relating to the market conduct investigation no. 449190, does hereby issue the following orders:

This order, issued pursuant to §374.046.15<sup>1</sup> and §374.280 RSMo, is in the public interest.

**IT IS THEREFORE ORDERED** that the Director does hereby approve the Stipulation as agreed to by PMIC and the Division.

**IT IS FURTHER ORDERED** that PMIC shall not engage in any of the violations of statutes and regulations set forth in the Stipulation, shall implement procedures to place it in full compliance with the requirements in the Stipulation and the statutes and regulations of the State of Missouri, shall maintain those corrective actions at all times, and shall fully comply with all terms of the Stipulation.

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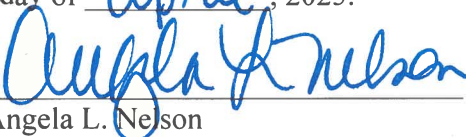
<sup>1</sup> All references, unless otherwise noted, are to Revised Statutes of Missouri 2016.

**IT IS FURTHER ORDERED** that PMIC shall pay, and the Department of Commerce and Insurance, State of Missouri, shall accept, the Voluntary Forfeiture of \$1,000.00, payable to the Missouri State School Fund.

**IT IS SO ORDERED.**

**IN WITNESS WHEREOF**, I have hereunto set my hand and affixed the seal of my office in Jefferson City, Missouri, this 28<sup>th</sup> day of April, 2025.



  
Angela L. Nelson  
Director

**IN THE DEPARTMENT OF COMMERCE AND INSURANCE  
STATE OF MISSOURI**

***In Re:***

**PHARMACISTS MUTUAL  
INSURANCE COMPANY  
(NAIC #13714)**

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**Market Conduct Investigation No. 449190**

**STIPULATION OF SETTLEMENT AND VOLUNTARY FORFEITURE**

It is hereby stipulated and agreed by the Division of Insurance Market Regulation (hereinafter the “Division”), and Pharmacists Mutual Insurance Company (hereinafter “PMIC”), as follows:

**WHEREAS**, the Division is a unit of the Missouri Department of Commerce and Insurance (hereinafter the “Department”), an agency of the State of Missouri, created and established for administering and enforcing all laws in relation to insurance companies doing business in the State of Missouri;

**WHEREAS**, PMIC has been granted a certificate of authority to transact the business of insurance in the State of Missouri;

**WHEREAS**, the Division conducted a market conduct investigation of PMIC, investigation no. 449190; and

**WHEREAS**, based on the market conduct investigation of PMIC, the Division alleges that:

1. In 422 instances, PMIC used an unfiled rate when determining premiums for Pharmacy Student or Intern policies issued from July 1, 2023, to February 1, 2024, in violation of § 379.321.1, RSMo.<sup>1</sup>

**WHEREAS**, the Division and PMIC have agreed to resolve the issues raised in the market

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<sup>1</sup> All statutory references, unless otherwise noted, are to the 2016 Revised Statutes of Missouri.

conduct investigation as follows:

A. **Scope of Agreement.** This Stipulation of Settlement and Voluntary Forfeiture (hereinafter “Stipulation”) embodies the entire agreement and understanding of the signatories with respect to the subject matter contained herein. The signatories hereby declare and represent that no promise, inducement or agreement not herein expressed has been made, and acknowledge that the terms and conditions of this agreement are contractual and not a mere recital.

B. **Remedial Action.** PMIC agrees to take remedial action bringing it into compliance with the statutes and regulations of Missouri and agrees to maintain those remedial actions at all times. Such remedial actions shall include the following:

1. PMIC agrees to review all policies with a Pharmacy Student or Intern rating classification from July 1, 2023, to February 1, 2024, to determine if any policyholders were charged an unfiled Pharmacy Student or Intern rate. For each policy identified as having had an unfiled rate applied, PMIC agrees to make best efforts to contact all impacted policyholders. PMIC shall utilize a professional address location system approved by the Division to attempt to locate and update the mailing address of each policyholder for whom PMIC does not have a current address. For all policyholders identified as having had an unfiled rate applied, PMIC shall refund the difference between the unfiled and filed rates for the time the policy was affected, together with payment of interest in an amount to be determined pursuant to §374.191. PMIC is not required to issue premium refunds if the amount of the refund is \$5.00 or less. For all policyholders whose current address PMIC cannot locate, PMIC shall submit the refund to the Missouri State Treasurer’s Office in accordance with the escheatment provisions of §§ 447.500-447.595. A letter shall be included with each payment stating that payment is being issued as a result of a Missouri Market Conduct Investigation. PMIC agrees to submit the results of its review to the Division in a manner acceptable to the Division.

2. PMIC agrees to revise internal practices to ensure filings are accurate and in compliance with § 379.321.1 going forward.

C. **Compliance.** PMIC agrees to file documentation pursuant to section 374.190 with the Division, in a format acceptable to the Division, within 30 days of the entry of an Order approving this Stipulation, of any remedial action taken to implement compliance with the terms of this Stipulation.

D. **Voluntary Forfeiture.** PMIC agrees, voluntarily and knowingly, to surrender and forfeit the sum of \$1,000.00, payable to the Missouri State School Fund, in accordance with §§ 374.049.11 and 374.280.2, within fifteen (15) days of the date the Director of the Department (hereinafter “Director”) signs the Order approving this Stipulation.

E. **Non-Admission.** Nothing in this Stipulation shall be construed as an admission by PMIC, this Stipulation being part of a compromise settlement to resolve disputed factual and legal allegations arising out of the above referenced market conduct investigation.

F. **Waivers.** PMIC, after being advised by legal counsel, does hereby voluntarily and knowingly waive any and all rights to procedural requirements, including notice and an opportunity for a hearing, and review or appeal by any trial or appellate court, which may have otherwise applied to the market conduct investigation no. 449190.

G. **Amendments.** No amendments to this Stipulation shall be effective unless made in writing and agreed to by authorized representatives of the Division and PMIC.

H. **Governing Law.** This Stipulation shall be governed and construed in accordance with the laws of the State of Missouri.

I. **Authority.** The signatories below represent, acknowledge, and warrant that they are authorized to sign this Stipulation on behalf of the Division and PMIC, respectively.

J. **Counterparts.** This Stipulation may be executed in multiple counterparts, each of

which shall be deemed an original and all of which taken together shall constitute a single document. Execution by facsimile or by electronically transmitted signature shall be fully and legally effective and binding.

K. **Effect of Stipulation.** This Stipulation shall not become effective until entry of an Order by the Director of the Department approving this Stipulation.

L. **Request for an Order.** The signatories below request that the Director issue an Order approving this Stipulation and ordering the relief agreed to in the Stipulation, and consent to the issuance of such Order.

DATED: April 24, 2025



Teresa Kroll  
Chief Market Conduct Examiner  
Division of Insurance Market Regulation

DATED: 4-18-2025



Name: Steven Courtney  
Title: Assistant Secretary  
Pharmacists Mutual Insurance Company